



Daily Report

China

FBIS-CHI-94-075
Tuesday
19 April 1994

Daily Report

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FBIS-CHI-94-075

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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General

Qian Qichen Comments on International Issues, Hong Kong

*HK1904024094 Hong Kong TA KUNG PAO in Chinese
16 Apr 94 p 1*

["Special dispatch" on interview with PRC Foreign Minister and Vice Premier Qian Qichen by unidentified TA KUNG PAO reporters in Beijing on 15 April 1993: "Qian Qichen Interviewed by Our Staff Reporters and Answers Their Questions"]

[Text] Beijing 15 Apr (TA KUNG PAO)—**Hong Kong Issue**

[TA KUNG PAO] Hong Kong residents are very concerned about the question of how Hong Kong's prosperity and stability can be ensured in the three years or so left before 1997. How will the Chinese Government urge the British side to implement its commitments made to Hong Kong as stipulated in the Joint Declaration?

[Qian] The "Sino-British Joint Declaration on the Question of Hong Kong" was an agreement signed by the heads of the two governments, and the British Government is obliged to strictly observe it; otherwise, it will lose its reputation for good faith in the world. The Chinese side is accelerating various preparations for restoring its sovereignty over Hong Kong. We will adhere to the principle of "one country, two systems," implement the Basic Law in accordance with the various principles stipulated in the "Sino-British Joint Declaration," and rely on the joint efforts of the broad Hong Kong compatriots. In this way, a stable transition and the long-term stability and prosperity of Hong Kong will certainly be insured.

[TA KUNG PAO] The Sino-British talks over the arrangements for the 1994/1995 elections in Hong Kong have broken down. The British side's three-tier framework in Hong Kong will be terminated on 30 June 1997, and the Chinese side is starting to "build a new kitchen." Can we take it that a smooth hand over of government has become impossible? Will a stable transition be maintained?

[Qian] "To build a new kitchen" refers to the fact that a direct transition is impossible for the three-tier framework produced through the 1994/1995 elections unilaterally pushed by the British Hong Kong Government; inevitably, the special administrative region [SAR] will preside over elections for a new framework. The future elections will be conducted according to the Basic Law, with arrangements made by proceeding from the actual conditions in Hong Kong. To my mind, with the concerted efforts and cooperation in solidarity of the broad Hong Kong compatriots, we can be sure of a stable transition in Hong Kong.

[TA KUNG PAO] The British side has stated that should there be no cooperation in Hong Kong's constitutional system, the arrangements for the 1994/1995 elections, economic cooperation, and other aspects as was hoped for before. What attitude will the Chinese Government take regarding cooperation with the British side?

[Qian] We welcome the British side's expression of its hope for cooperation. If that can be achieved, Hong Kong residents will benefit. The key lies in the practical actions of the British side.

[TA KUNG PAO] Britain is playing the "international card" on the issue of Hong Kong. Some foreign forces covet Hong Kong, too. How should China handle the international relations of Hong Kong from now on?

[Qian] The issue of Hong Kong is a matter between the Chinese and British governments before 1 July 1997; after that date, it is entirely China's internal affair, and no other countries have any right to intervene whatsoever. Hong Kong, as a special administrative region of China, may develop economic and cultural exchanges and ties with foreign countries.

[TA KUNG PAO] Director Qian talked about restoring the integrated sovereignty of Hong Kong at a meeting of the Preliminary Work Committee [of the Preparatory Committee] of the Hong Kong SAR. How should we see this integrated sovereignty?

[Qian] In history, the British colonialists have always done their utmost to prolong the influence of their colonial rule when they withdraw. Since Hong Kong entered the second half of the transitional period, some of the words and actions of the British side show the unwillingness of some people in the British Government to withdraw from Hong Kong and that they have always wanted to create trouble. Deng Xiaoping has long foreseen this and he explicitly indicated that the issue of sovereignty is beyond discussion. China will recover Hong Kong in its entirety in 1997. To my understanding, the Hong Kong in its entirety referred to here is not just a geographical concept, but, more importantly, the concept of complete sovereignty.

[TA KUNG PAO] In his 1994 "Government Work Report," Premier Li Peng expressed the hope that the Preliminary Work Committee [PWC] of the Hong Kong SAR would unite Hong Kong compatriots of all walks of life on the most extensive scale. Nevertheless, there is just a communications office of the PWC with several staff in Hong Kong today. Could you please tell us, Director Qian, how will the PWC further unfold its work in Hong Kong from now on?

[Qian] In doing a good job of the work of the PWC, a very important point is to bring forward democracy, pool the wisdom of the masses, give play to the sense of responsibility and being the masters of the broad Hong Kong compatriots, and pool the wisdom and efforts of every one to make preparations for building the Hong Kong SAR. Presently, an increasing greater number of

people from all walks of life in Hong Kong are concerned about the work of the PWC; they have offered many sound opinions or suggestions to the PWC through various channels from Hong Kong or by coming straight to Beijing.

The great responsibility of making preparations for the Chinese Government to recover the sovereignty of Hong Kong rest with the broad Hong Kong residents, but not just the scores of the PWC members or its secretariat or communications office in Hong Kong. The way of work of the PWC will further be improved. For example, some ad hoc groups are ready to call meetings in Hong Kong, while absorbing some professionals in Hong Kong to participate in special topic studies. The PWC will unfold consulting activities in Hong Kong to directly hear the opinions of various circles in Hong Kong. I believe that, with the concern and support of the broad Hong Kong compatriots, the PWC will live up to people's expectations in its work.

The Taiwan Issue

[TA KUNG PAO] The Taiwan authorities want to expand "international space" and have unfolded "vacation diplomacy" not long ago. Presently, dialogue between Taiwan and Mainland China is stalled at a technical level, and there has been insignificant progress. What will the Ministry of Foreign Affairs do to make the world see clearly that Taiwan is an inseparable part of China and will inevitably advance toward reunification with the China mainland?

[Qian] Taiwan is an inseparable part of Chinese territory, which is universally acknowledged in the world community. The reunification of Taiwan and Mainland China is the wish of the Chinese people in their entirety, including the Taiwanese people, and is an irreversible historical trend. The Chinese Government has always adhered to the position of safeguarding the one-China principle, while resolutely opposing "two China's" or "one China, one Taiwan," a position that has won the respect and understanding of the overwhelming majority of countries in the world. Taiwan has economic ties with various places in the world and space for its activities; we do not contradict it in that arena. What we oppose is that the Taiwan authorities are sparing no efforts to create "two China's" and expand their so-called diplomatic "international space," and behavior which jeopardizes the motherland's reunification runs counter to the trend and is unpopular.

World Issues

[TA KUNG PAO] The U.S. Clinton administration believes that there are other aspects of its cooperative relations with China aside from trade and the human rights issue. What is the Chinese Government considering to push forward its relations with the United States and to reduce trouble?

[Qian] China and the United States, as two powers in the world, bear a great responsibility in safeguarding peace

and stability in the Asia-Pacific Region and the world, promoting global economic growth, and improving the environment of mankind. There are extensive common interests between China and the United States, as well as differences on some issues. These are objective facts. In handling those issues, the two sides should base themselves on the future and the world's overall situation. They should learn to establish relations of mutual benefit and mutual respect with countries with different social systems and ideologies, while refraining from focusing attention on disputed issues. In this way, trouble can be reduced and continuous progress made in Sino-U.S. relations.

[TA KUNG PAO] During the Cold War period, Europe was the focus of contention between the superpowers, and China supported the unification of Western Europe. Now, changes have taken place in East and West European relations and turmoil has surfaced in the Balkans. Will Foreign Minister Qian analyze the changes in the European situation under the international backdrop?

[Qian] The changes in the European situation have been the greatest with the end of the Cold War. However, Europe has not entered a period of peaceful development as expected. Many countries of the former USSR and East Europe have met difficulties in their economic conversion, and the political situation there is comparatively turbulent. Regional conflict has occurred in the former Yugoslavia, and has evolved into a hot war. Western Europe is suffering from economic recession, with unemployment rates remaining high. Some progress has been made in the unification of Europe, along with quite a few new problems. In short, the relatively stable post-war European situation has broken down, but a new pattern has not finally taken shape.

[TA KUNG PAO] Viewing the growing influence of Vladimir Zhirinovskiy, the Russian ultra-nationalist, the election of a right-wing alliance in Italy, and the expansion of German xenophobia, Europe seems to be beginning an adverse trend of discord. What is China's attitude toward this? How should one forecast and deal with this adverse trend?

[Qian] Various forces in post-Cold War Europe have disintegrated and are under reorganization, with some new political ideological trends and forces surfacing; that is a reflection of a complicated European political situation and people's resentment against reality. Only by building a new international political and economic order based on peaceful coexistence and doing away with the practice of hegemonism and power politics, will it be possible to do a good job of resolving the issue of peace and development while maintaining a stable situation.

[TA KUNG PAO] When Japanese Prime Minister Hosakawa visited China last month, the two countries established an understanding of striving to build bilateral relations characterized by "facing the future." A report said that the two countries were augmenting a Beijing-Tokyo axis which would help resist pressure

from Washington. How will China deal with Sino-Japanese relations and their development from now on?

[Qian] Japan is an important neighbor of China, and the development of Sino-Japanese relations is a matter of course, but this does not aim at a third country, nor will it affect relationships with third countries. Basically, there is no axis relationship to speak of.

[TA KUNG PAO] Asians hope for a nuclear-free Korean peninsula, but actual conditions show that it will be comparatively difficult to remove such worries. With patience, do you think that this issue can be effectively resolved?

[Qian] To realize a nuclear-free Korean Peninsula, and safeguard peace and stability on the peninsula as well as Northeast Asia falls in line with the basic interests of the northern and southern parts of the peninsula and the common aspiration of the countries in this region. Viewing progress in the past year, through dialogue and negotiations between all sides directly involved, progress has been made in efforts to resolve the Korean nuclear issue. True, some difficulties have surfaced today, but if all of the sides involved continue dialogue and talks within the original framework with a realistic and flexible attitude and patience, the issue will be resolved.

[TA KUNG PAO] Some national issues in Central Asia have roused universal concern in the world. Regarding this, with what attitude will China deal with its relations with those countries?

[Qian] Since the disintegration of the USSR, China has established direct ties with various countries in Central Asia. We are for developing good neighborly, friendly relations characterized by equality and mutual benefit with these countries on the basis of the five principles of peaceful coexistence. We hope to see stability and economic growth in this region, with people working and living in contentment and peace, and all nationalities inhabiting this region coexisting in peace and harmony. As for their internal affairs, we have never intervened.

[TA KUNG PAO] South Africa will hold a general election soon; it is most likely that Mandela will be elected. What are China's predictions and preparations for the possibility of the emergence of the first black government in South Africa? When will the issue of establishing diplomatic relations between the two countries be placed on the agenda?

[Qian] Despite many difficulties and ups and downs, it is an irreversible trend that a general election will be held in South Africa with the emergence of a government of national unity. This signifies the end of racist rule in South Africa and the birth of a new South Africa of equality between all races. Like the rest of the world community, China expresses its heartfelt congratulations to the historic victory of the South African people. China has all along supported the South African people in their just struggle against apartheid, and it is only logical for

China to develop friendly, cooperative relations with the new South Africa in a comprehensive way.

[TA KUNG PAO] Asia is a region which is enjoying the fastest economic growth. Countries like India and Vietnam have recently adopted a policy of opening up and reform and are actively absorbing foreign funds. How will China handle relations with these countries in cooperation and economic competition?

[Qian] Vietnam has scored results in pushing a policy of reform and opening up, India is exerting efforts in economic reform and development, and the economies of many developing countries in Asia have taken on a sound momentum of development. China is sincerely happy for them. The economic growth of developing countries in Asia has provided greater chances for cooperation between us. Of course, in international cooperation there is inevitably competition. So long as such competition is based on equality and mutual benefit, it will be helpful to promoting mutual cooperation and common development.

[TA KUNG PAO] A recent report said that pirates were plundering China's coastal waters, and some vessels outside the borders were victimized. Is this true? Could you please say something about it?

[Qian] Coastal areas are the gates of China's reform and opening up and bases of economic development, and maritime security is of the utmost importance to China. In recent years, maritime security conditions have worsened and the activities of international smuggling gangs are rampant in China's coastal areas, thus causing maritime criminal activities such as piracy; consequently, Chinese fishermen and vessels have been seriously victimized, as were vessels from other countries. The Chinese Government has conducted serious investigations of maritime incidents. On separate occasions last year, China negotiated with Japan and Russia on maritime security. With the joint efforts of all related departments, maritime security conditions have improved notably. Since mid-July last year, no more incidents endangering security have taken place in China's coastal areas.

China's Diplomacy

[TA KUNG PAO] China's accomplishments in foreign affairs in recent years have been unanimously acknowledged in the world. Since the beginning of 1994, China's diplomatic arena has been increasingly active, with heads of governments from many countries in Asia, America, and Europe visiting China one after the other; China is playing an increasingly important role in world affairs. In its assessment of the outside world, China's diplomacy is as tough as it is soft. Could you please summarize China's successes in foreign affairs? What new concepts and designs does China have for the next step in foreign affairs?

[Qian] The continuous elevation of China's position in the world is attributable to two points: First, China

enjoys political stability in its internal affairs and sustained, vigorous economic growth; and second, the success of China's pursuit of a peaceful foreign policy characterized by independence and taking the initiative in our own hands. In handling world issues, China adheres to principles, while being flexible and practical. Equality and mutual respect are pursued when China handles relations with other countries, while always observing the five principles of peaceful coexistence. China will promote world peace and development as always and will make its own contributions to building a just, rational, political and economic new world order.

[TA KUNG PAO] "The 21st century will be the Asian century," "the 21st century belongs to China." This is already an established saying in the world. How will China face the 21st Century in foreign affairs?

[Qian] In another five years or so, mankind will enter the 21st century. We do not believe that the 21st century belongs to any region or country. Two world wars have taken place in the 20th century, and the Cold War lasted for almost half a century. China hopes that there will not be cold wars or hot wars in the 21st Century and that it will become a new century of peace and development. Nuclear weapons surfaced in the 20th Century: mankind is capable of manufacturing nuclear weapons and should be able to totally destroy them. China hopes that the 21st century will become a new century free of nuclear weapons. The Chinese people are willing to welcome a new century of peace, stability, development and prosperity and to work hard together with the people of all countries.

IAEA Chief Visits Iran for Talks on Nuclear Power

OW1804140394 Beijing XINHUA in English 1245 GMT 18 Apr 94

[Text] Tehran, April 18 (XINHUA)—Director General of the International Atomic Energy Agency (IAEA) Hans Blix arrived here today for talks with senior Iranian officials on the issue of nuclear power plants in the country.

During the two-day visit, Blix is expected to discuss cooperation between the IAEA and Iran's Atomic Energy Organization.

While in Tehran, the IAEA head will hold talks with First Vice-President Hasan Habibi and other senior Iranian officials.

According to earlier official reports, Iran has started the construction of the nuclear power plant in the southern province of Bushehr with the assistance of Russian experts.

Iran also said that the construction of another nuclear power plant with the help of Chinese experts had also started in southwestern Iran.

However, both China and Russia denied the reports. A Chinese official said that the contract has not yet come into effect because of Iran's economic problem.

A Russian diplomat said that cooperation between Russia and Iran in building the nuclear power plant is still on the stage of negotiations.

But, an Iranian source said that an agreement was reached with Russia months ago on the construction of the first phase of the nuclear power plant with a capacity of 1,000 megawatts.

Burma Supports Beijing's Bid To Return to GATT

OW1604034294 Beijing XINHUA in English 0312 GMT 16 Apr 94

[Text] Yangon [Rangoon], April 16 (XINHUA)—Myanmar [Burma] supports China's bid to be reinstated as a GATT's member, according to an official report today.

in his address at the GATT's ministerial meeting on Uruguay round this week, Myanmar Minister for National Planning and Economic Development Brig-Gen Abel, leader of the Myanmar delegation, agreed with Minister of Commerce of Bangladesh Mohammad Shamsul Islam that China should be accepted as GATT's new member and requested the meeting to seriously consider China's application to become a member of GATT.

The Myanmar minister also said that as an initial member of the GATT and participant to Uruguay round negotiations, Myanmar firmly believes that the final treaty of Uruguay round will provide better opportunities for all nations and for the global trading system to become clearly independent.

He said Myanmar is already prepared for action under the new system that will emerge soon.

Tian Jiyun Leaves for Visit to Four Oceanian Countries

OW1604072994 Beijing XINHUA in English 0657 GMT 16 Apr 94

[Text] Beijing, April 16 (XINHUA)—A delegation of the National People's Congress (NPC) headed by vice-chairman of its standing committee Tian Jiyun left here today for an official and good-will visit to New Zealand, Western Samoa, Papua New Guinea and Australia.

The delegation has been invited by the parliaments of the four countries respectively.

Cao Zhi, secretary-general of the NPC Standing Committee, was among those who saw the delegation off at the airport.

Diplomatic envoys of the four countries in China were present at the airport.

Commentator Views 'Agenda 21' for UN Environment Plan

OW1604133394 Beijing XINHUA Domestic Service in Chinese 1330 GMT 15 Apr 94

[XINHUA Commentator: "A Grand Blueprint for China's Sustained Development"]

[Text] Beijing, 15 Apr (XINHUA)—The State Council recently approved "China's Agenda 21," representing a practical step that China has taken to implement the resolutions of the United Nations Conference on the Environment and Development and a major event in China's efforts toward sustainable development. In a sense, the "Agenda" sketches for China a blueprint for development in the 21st century.

China is a developing nation with nearly a 1.2 billion population. China's foremost goal and task at present is to develop the economy and shake off poverty and backwardness. Like many developing countries, China faces global environmental problems such as climatic changes, ozone layer depletion, and reduced species diversity. In developing the economy, it also needs to address the problem of environmental pollution, ecological destruction, and devastation of natural resources. Due to low productivity levels, in the past China opted for economic development on a grand scale, seeking to realize high levels of growth through massive investment in industries with high levels of energy consumption and pollution. This led to the depletion of natural resources, the worsening of environmental pollution, and ecological destruction. As China's economy has now entered a stage of high-speed development, greater pressure will surely be brought to bear on our natural resources and environment if we continue to stick to an outdated development pattern and only emphasize quantitative growth to the neglect of qualitative improvements to the economy. If we fail to change our direction, we will be forced to pay a greater price; China's modernization process will be delayed; and the foundation of the existence and development of the Chinese nation will even be undermined.

Sustainable development is a great cause that has not yet been taken up in the course of human history.

Sustainable development in China is an important component of global sustainable development. The only way for China to ensure sustainable and high-speed development is to opt for a development path that will not only promote the economy but also protect the environment. The idea behind the formulation of "China's Agenda 21" is to promote sustainable development in China.

For human beings at the close of this century and the next, the issues of population, natural resources, and the environment will be common themes. As a developing country, China is entrusted with an important mission. The scope of the rational use of resources and environmental protection is no longer limited to the prevention of environmental pollution and to the restoration of the

ecological system, but is being extended to a greater range of economic development and social progress. This marks a great leap in the cognitive level of human beings. It is precisely because of such a cognitive leap that we are presented with a new opportunity for development. It is necessary to realize high economic efficiency and to conserve natural resources and to lower energy consumption through setting a rational industrial setup, standardizing the types and scales of industrial enterprises, formulating and implementing correct industrial policies, accelerating the pace of readjusting industrial structure and technological transformation, and popularizing non-polluting production technologies and adopting non-polluting production methods. It is also necessary to continue experimenting with ecological farming projects; to greatly popularize non-polluting technologies for farming production; to rationally develop, utilize, and protect farmland; to enhance the capability to combat natural disasters; to gradually build an intensive-farming industry; and to help establish a rational structure for city planning.

The birth of "China's Agenda 21" marks a good beginning for China's sustainable development. Now, the most important task for us is to advance the comprehensive implementation of "China's Agenda 21" in a down-to-earth manner.

The Chinese people have made tremendous contributions to human civilization. The Chinese people, by adhering to the policy of reform and opening up, are now advancing step by step along the path of sustainable development. We will surely have a bright future. China will surely make new contributions to the global environment and development.

China Hosts First International Wool Textile Conference

OW1504134594 Beijing XINHUA in English 1300 GMT 15 Apr 94

[Text] Xian, April 15 (XINHUA)—The First International Wool Textiles Conference of China opened today in Xian, capital of north-west China's Shaanxi Province.

The three-day conference, sponsored by China Textile Trade Association, is being attended by 295 representatives from 13 countries and regions.

The conference will cover the study of the developing trend of the industry and materials, theoretical study of the structures of wool and other animals' fabric and manufacturing technologies of wool.

Representatives of 18 well-known companies from abroad will lecture on technologies of advanced wool textile equipment.

Wool textile industries have been set up throughout China, which has 35,000 mechanical looms and 3.3 million wool spindles.

China's wool textile industry has been developing rapidly since 1979, when China initiated its opening-up policy. During 1981 and 1992, the number of wool spindles in China increased more than two fold, 5.5 times the number of 1980. The number is still growing, at the rate of 225,000 annually.

In 1992, the country produced 338 million meters of woolen goods.

At the same time, China's output of sheep's wool, rabbit fur and yak fur have all become the greatest in the world in recent years. China now accounts for 50 percent of the world's total output of sheep's wool, 90 percent of rabbit fur and about 85 percent of yak fur.

Even so, China still needs to import large amounts of wool every year.

China is keen on exchanges and cooperation with other countries in the world, officials of the China textile trade association said.

Officials from the International Wool Secretariat, Australia and New Zealand are attending the conference.

United States & Canada

Vice Premier Zou Jiahua Arrives in Canada

OW1804235694 Beijing XINHUA in English 2322
GMT 18 Apr 94

[Text] Vancouver, Canada, April 18 (XINHUA)—Chinese Vice Premier Zou Jiahua arrived here today for an official visit at the invitation of the Canadian government.

Zou, the first senior Chinese official to visit Canada this year, said upon his arrival at the Vancouver international airport that the main purpose of his visit is to increase contacts, enhance understanding, strengthen friendship and promote cooperation between the two countries.

"I look forward to exchanging views with Canadian leaders and personages from all walks of life on issues of mutual interest, exploring ways to further our bilateral economic cooperation and trade and learning from your successful experience in economic development," he said in a written statement.

The Canadian government described the Chinese vice premier's visit as an important event in the relations between the two countries.

Zou said the Chinese and Canadian peoples have enjoyed a profound traditional friendship. Over long years of friendly exchanges, the two sides have sympathized with and supported each other, which makes many memorable chapters in the annals of bilateral relations, the vice premier said.

"In the current new historical circumstances, to further the bilateral friendly relations and cooperation is not only in the fundamental interests of the two peoples, but also conducive to peace, stability and development of the Asia-Pacific region," he said.

During the 10 day visit, Zou will meet Canadian prime minister Jean Chretien in Ottawa. He is invited to address at a luncheon given by the Asia Pacific Foundation and Canada-China Business Council in Vancouver.

The vice premier will also meet other high ranking Canadian officials and businessmen and visit companies which include energy, telecommunications and space and aviation.

Secretary of State for Asia-Pacific of the Federal Government Raymond Chan and other government officials were at the airport to welcome Zou. Chinese Ambassador to Canada Zhang Yijun was also present at the airport.

Accompanying Zou's visit were Zeng Peiyan, vice chairman of State Planning Commission, Liu Huaqiu, vice minister of foreign affairs, Zheng Silin, vice minister of foreign trade and economic cooperation and others.

Song Jian Meets Chinese Scientists, Engineers in New Jersey

OW1804144094 Beijing XINHUA Domestic Service in Chinese 0648 GMT 17 Apr 94

[By reporter Zhao Renfang (6392 0088 2455)]

[Text] Newark, 16 Apr (XINHUA)—Song Jian, Chinese state councillor and minister in charge of the State Science and Technology Commission, met with Chinese scientists and technicians in the United States at the Marriott Hotel, Newark, New Jersey State, on 16 April. He briefed them on the progress of China's high-technology industry.

Addressing representatives from the Chinese Engineers Society of America [CESA] and the American Association of Chinese Scientists and Technicians [AACST], Song Jian said: In comparison to world standards, China's high-technology industry is still relatively backward. However, since China carried out reform and opening up, its high-technology industry has developed very rapidly. At present, China has established 52 new and high-technology zones with 50,000 personnel working in more than 40,000 high-technology companies and enterprises. Therefore, overseas scholars are able to find partners for joint-ventures [he zuo dui xiang 0678 0155 1417 6272] in fields including agriculture, electric power, law, biomedicine, and intellectual property rights.

Song Jian arrived in New York on 14 April after attending the sixth session of the Sino-U.S. Science and

Technology Cooperation Joint Committee in Washington. Hosting the reception for Song Jian today were the CESA and AACST which are two relatively large Chinese scientific and technological organizations in the United States. Their respective members mainly consist of scholars who came from both sides of the Taiwan Strait.

Attending the meeting were famous scientists Pan Wenyuan, Deng Wenzhong, and Wang Shaoguang, and Chinese Consul General in New York Zhang Weichao. At the end, Song Jian became the AACST honorary adviser upon request.

According to Zhang Ping, official of the Chinese Consulate General in New York, Song Jian also met with representatives from the New York Securities Stock Exchange Commission, the Morgan Company, and the Meilin [5019 2651] Company this morning. They discussed issues on integrating financial investments and new technology industry, and chances and formats of entering China's markets.

Li Lanqing Meets With U.S. Business Delegations

OW1804125494 Beijing XINHUA in English 1238
GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—Chinese Vice-Premier Li Lanqing met here this morning with a delegation of senior advisers from Unisys.

He also met with a delegation from the U.S. Chrysler Corporation.

The ten-member Unisys delegation, headed by Chairman James A. Unruh, arrived here on April 15. The 17-member Chrysler group, headed by Chairman and Chief Executive Robert J. Eaton, arrived here on April 16 at the invitation of the Ministry of Machine-Building Industry.

Unisys, which entered the Chinese market at the end of the 1970s, is to invest about 10 million U.S. dollars in China to establish a Unisys China company to cooperate with Chinese partners in the production of computers and development of software.

President Clinton Rejects Unilateral Lifting of Arms Embargo

OW1804181694 Beijing XINHUA in English 1633
GMT 18 Apr 94

[Text] Washington, April 18 (XINHUA)—United States President Bill Clinton today reiterated the U.S. support for lifting the U.N.-sanctioned arms embargo against Bosnia, but said Washington cannot do so unilaterally.

Describing the situation as "grim and uncertain" in Gorazde, a "safe area" for Bosnian Muslims that was on

the verge of falling into Serb control, Clinton said chances for lifting the embargo appeared greater for the time being.

The Europeans and Russia in the past have opposed ending the embargo but now "their soldiers on the ground are in danger," Clinton said.

He disputed suggestions by some congressional leaders that the U.S. unilaterally lift the embargo, which was seen as denying the Muslims the chances of defending themselves while failing to stop the arms flow to the Serbs and Croats.

"First of all, there are substantial questions about whether under international law we can do it," he said.

President Clinton Outlines New Crime-Fighting Steps

OW1604223294 Beijing XINHUA in English 2139
GMT 16 Apr 94

[Text] Washington, April 16 (XINHUA)—U.S. President Clinton today outlined several new steps to fight the nation's plaguing crime.

In his weekly radio address, Clinton said the government will encourage weapons frisks in gang-infested public housing to prevent crime if tenants agree.

"We'll encourage more weapons frisks of suspicious persons, and we'll ask associations to put clauses in their leases allowing searches when crime conditions make it necessary," he said.

He said residents will be empowered to organize tenant patrols to ride elevators and to look after the public spaces in high-rise public housing units.

Clinton also announced a federal allocation of some 30 million dollars to crack down on the growing crime wave in public housing, to help residents to "take back their homes."

He said the government will provide more programs such as midnight basketball leagues "to help our young people say no to gangs and guns and drugs."

Central Eurasia

Uzbekistan President Hosts Banquet for China's Li Peng

OW1804174694 Beijing XINHUA in English 1726
GMT 18 Apr 94

[Text] Tashkent, April 18 (XINHUA)—President Islam Karimov hosted a grand banquet here this evening to welcome Chinese Premier Li Peng, who arrived earlier today for a three-day official visit.

Proposing a toast, Karimov said that the friendship between the peoples of China and Uzbekistan can be traced to centuries ago, when the "silk-road linked them together."

"There is every reason to revitalize this road today, when conditions are ripe for developing full-scale bilateral friendly cooperation," he said.

Premier Li Peng's visit marks the beginning of a new era in the relations between Uzbekistan and China, he said.

As many Chinese entrepreneurs are travelling with Premier Li Peng, this provides a good opportunity for expanding bilateral trade and economic cooperation, he noted.

The direct links now existing between the businesses and localities of the two countries will undoubtedly bear fruits of cooperation, he said.

Karimov spoke highly of China's reform and opening, saying Uzbekistan is following closely with what is happening in China and expects China to push ahead along the path, so as to make greater contributions to mankind.

Li Peng, in his reply, said the warm reception accorded himself and his entourage reflects the profound friendly feelings the people of Uzbekistan hold towards their Chinese counterparts.

He noted that the traditional friendship between the two peoples entered a new stage after Uzbekistan became independent and has been consolidated and furthered since then.

As China is concentrating on its modernization drive, it needs a good international environment and follows an independent foreign policy of peace, Li said.

"We are ready to develop ties with all countries on the basis of the five principles of peaceful coexistence," he said. "In particular, we attach importance to developing good-neighborly relations of friendship and cooperation with the neighboring nations."

Li said he expected to have in-depth discussions with President Karimov and other leaders of Uzbekistan on bilateral ties, regional and international issues.

Also, he expressed the conviction that this visit would serve to enhance the mutual understanding and cooperation in all fields between the two countries.

He agreed with Karimov that the silk-road should be revitalized, saying China would work towards that.

Premier Li Peng, Uzbek President Karimov Salute Poet

OW1904071794 Beijing XINHUA in English 0609 GMT 19 Apr 94

[Text] Tashkent, April 19 (XINHUA)—Visiting Chinese Premier Li Peng today laid a basket of flowers at a statue of the great Uzbek poet A. Navoi, which sits in the national park named after him.

Navoi (1441-1501), also a great thinker, statesman and scholar, is considered the founding father of the Uzbek literary language.

Li Peng, accompanied by President Islam Karimov of Uzbekistan, was greeted at the park by around 200 local personalities of various circles.

Later this morning, Li is scheduled to hold talks with President Karimov on bilateral relations and regional and international issues of mutual concern.

'Newsletter' Details Li Peng's Arrival in Tashkent

OW1904025094 Beijing XINHUA Domestic Service in Chinese 1519 GMT 18 Apr 94

[Newsletter by reporters Ju Mengjun (0215 1322 6511) and Hu Xiaoguang (5170 2556 0342): "Tashkent Joyfully Welcomes an Honored Guest"]

[Text] Tashkent, 18 Apr (XINHUA)—After a long flight of 6 and half hours, the special plane taken by State Council Premier Li Peng and his party from Beijing slowly touched down at Tashkent Airport at 1400 sharp local time today.

The sun shone brightly and a gentle breeze could be felt in the Tashkent afternoon. An Uzbek Foreign Ministry official told reporters that today's welcoming ceremony was the most solemn held in Uzbekistan since it declared independence. A guard of honor comprising the airborne force, air force, tank force, and army units was used for the first time as was the newly inaugurated airport terminal for reception of foreign guests. It shows that Uzbek leaders attach very great importance to the further development of Sino-Uzbek relations as well as Li Peng's visit.

Uzbek President Karimov looked particularly happy today. He led the acting chairman of the Supreme Soviet, prime minister, various ministers, and ranking officials to greet Premier Li Peng and his party at the airport.

This was the second time Karimov and Li Peng were to meet each other. The two leaders held friendly talks in March 1992 when President Karimov paid a state visit to China. Premier Li Peng's current visit marks the first visit by a high-level Chinese leader to Uzbekistan since it declared independence.

The city of Tashkent carried out renovation of its main streets especially to welcome Premier Li Peng's visit. When Li Peng and his party's motorcade drove through

the level, clean, and tidy streets, pedestrians on both sides waved their hands to greet the visitors. Uzbek and Chinese national flags and various colorful flags fluttered in the wind on some main streets. Large signs with Chinese characters reading "Welcome Premier Li Peng's Visit to Uzbekistan," "Friendship, Peace, and Friendly Relations Between Uzbekistan and China,"...met the eyes of honored Chinese guests at the intersections. All this added an atmosphere of warmth and friendliness to this famous ancient city in central Asia, and made visitors from Beijing feel warm and comfortable.

Tashkent's news media attached great importance to Premier Li Peng's visit. Today's KHAIK SUZI [renmin yanlun bao 0086 3046 6056 6158 1032], an official newspaper of the Uzbek Government, carried a front-page headline in Chinese characters: "Respectable Chinese Premier Li Peng, We Warmly Welcome Your Visit to Uzbekistan!" It noted in a published news item: Uzbek leaders are convinced that Premier Li Peng's current visit will further promote the development of mutually beneficial Sino-Uzbek relations on an equal footing.

In the past week, Tashkent's newspapers and TV stations have carried extensive reports on China's situation—the ancient culture and beautiful scenery of the Chinese nation, the modern look of Shanghai and other industrial cities, rapid economic development enjoyed by special zones, and so forth. Chief editor (Alihanov) of the Uzbek State TV Station said to reporters: "We expect more Sino-Uzbek joint ventures will be established after Premier Li Peng's visit. It is advantageous to the two countries."

Premier Li Peng's visit has become an important topic of conversation between citizens on Tashkent's streets which are permeated with a jubilant atmosphere. The people are looking forward to continuous development of friendly Sino-Uzbek contacts which go back to ancient times. They hope the ancient silk road blazed by their forefathers will glow with new splendor.

Premier Says Russia To Continue Economic Reforms

OW1904010494 Beijing XINHUA in English 0056
GMT 19 Apr 94

[Text] Moscow, April 18 (XINHUA)—Russian Prime Minister Viktor Chernomyrdin today confirmed his government's determination to continue the economic reforms underway in the country.

Speaking at the opening session of the annual meeting of the board of directors of the European Bank for Reconstruction and Development (EBRD) in Russia's second-largest city of St. Petersburg, Chernomyrdin stressed that the continuation of reforms remains at the center of Russia's economic policy.

The EBRD meeting, which will discuss how it will further its financial cooperation with Russia, is expected to play a big role in the bank's further contacts with Russia.

After the first two months of this year, the inflation rate fell below 10 percent in the country, the Russian government head said in his speech. "As long as the planned budget expenses are not exceeded, inflation will fall to seven or eight percent a month by the end of the year," he added.

"We are now going through the crisis' very lowest point," Chernomyrdin stated. "Russians have stepped right up to the line."

"However, such a change will occur only if investment increases," he stressed.

The Russian premier appealed to the EBRD's management, the official delegation members and businessmen from G7 nations who hold shares in the bank to be active on the Russian market.

"I see today's forum as weighty evidence that our international partners' worry over the fate of economic reforms in Russia is being replaced by other moods and other expectations," he said.

After Chernomyrdin's speech, the participants discussed the results of the bank's activity in the past two years and of the top priorities for the next two years.

Chinese-Russian Electronics Company Established in Shanghai

OW1804095294 Beijing China Radio International in
Russian 1900 GMT 17 Apr 94

[Text] A ceremony was held in Shanghai on 15 April at which a contract was signed establishing the (Xinminyu) Shanghai Electronic Components Company Limited, a joint Chinese-Russian company in the military equipment conversion sphere.

This is the first Chinese-Russian Company of its kind in the (Jinxiao) zone of the Pudong free trade area of Shanghai. The new company will engage in the development of ultra-high frequency equipment—lasers, ceramic elements, optical electronics, and optical devices.

Northeast Asia

Japanese Ruling Coalition Moves Toward Policy Agreement

OW1804181494 Beijing XINHUA in English 1615
GMT 18 Apr 94

[Text] Tokyo, April 18 (XINHUA)—Japan's ruling coalition today moved closer to an agreement on the future

government policy and a successor to outgoing Prime Minister Morihiro Hosokawa, a senior coalition official said.

At two rounds of talks, the coalition executives confirmed that the ruling parties will stick to a policy accord reached before the formation of Hosokawa's cabinet last August, said Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] Secretary General Wataro Kubo.

They also shared the view that an early Diet (parliament) approval of the overdue fiscal 1994 budget is the top priority for the next government and that the new administration should formulate a budget for fiscal 1995 featuring speedy improvement in lifestyle, Kubo told a press conference.

He said the representatives from the ruling parties ironed out differences on such key issues as political reform, economic reform mainly through deregulation, Japan-U.S. relations and administrative reform and decentralization.

They, however, failed to agree on two issues of immediate concern—Tokyo's stance toward the nuclear issue on the Korean Peninsula and tax system reform.

If an accord is reached among them, the coalition parties will nominate Foreign Minister Tsutomu Hata as their single candidate for the premiership to succeed Hosokawa, who abruptly decided on April 8 to resign over dubious financial matters and a Diet business deadlock.

Watanabe Confers With LDP Leader on Leaving Party

*OW1804181594 Beijing XINHUA in English 1616
GMT 18 Apr 94*

[Text] Tokyo, April 18 (XINHUA)—Veteran politician Michio Watanabe said today he needs more time to decide whether to leave the main opposition Liberal Democratic Party (LDP) to run in an upcoming parliamentary election for the prime ministership following the resignation of Prime Minister Morihiro Hosokawa on April 8.

Watanabe, former deputy prime minister and former foreign minister, was apparently having second thoughts about his defection plan now because his bid for the top government post seems unlikely to succeed, KYODO NEWS SERVICE reported.

He decided on Sunday [17 April] to quit the LDP in an attempt to seek ties with the ruling coalition parties to achieve his goal of succeeding Hosokawa. Watanabe had been expected to make a formal announcement on his defection plan today.

Watanabe held a 65-minute meeting with LDP President Yohei Kono today and told him he will consult with his

faction members on the matter, KYODO said. They may hold another round of talks on Tuesday.

KYODO said an LDP official quoted Watanabe as telling Kono, "I understand your feelings, so please give me a little more time to think about it."

The 70-year-old LDP veteran cited major differences between him and the ruling coalition over security issues as one of the main reasons for him to reconsider his plan to quit the LDP, still the largest single party in the Japanese Diet (parliament).

Kono appealed to Watanabe to stay in the LDP, saying, "unless the coalition decides to revamp its combination of political forces and accept you, your defection will be of no use," according to KYODO.

Five More Opposition Lawmakers Defect in Japan

*OW1804145794 Beijing XINHUA in English 1443
GMT 18 Apr 94*

[Text] Tokyo, April 18 (XINHUA)—Five more members of the House of Representatives bolted the main opposition Liberal Democratic Party (LDP) today, bringing to 11 the number of LDP legislators who have quit the party in four days.

Meanwhile, three lower chamber members of Prime Minister Morihiro Hosokawa's Japan New Party (JNP), one of the seven ruling coalition partners, said they have left the party.

The five LDP defectors said they quit the single largest party to launch a new parliamentary group in an effort to reorganize the political structure in Japan. They are Koji Kakizawa, Seiichi Ota, Shokei Arai, Taku Yamamoto and Shizuo Sato.

"We decided to quit to accelerate the current development by our action," Kakizawa told a press conference in Tokyo.

Another LDP lower house member, Kenji Kosaka, also left the party today, saying he will join Shinseito (Japan Renewal Party), the coalition's core party led by Foreign Minister Tsutomu Hata.

Five other LDP Dietmen who defected the party Friday [15 April] formed a new party today called the New Party Mirai (Future).

The three JNP members, Fumihiko Igarashi, Sakihito Ozawa and Akio Nakajima, handed their letters of resignation to Hosokawa, who is the JNP leader.

The three, who gained parliamentary seats for the first time in the 1993 general election, have expressed dissatisfaction with Hosokawa's approach to Shinseito. They told reporters that they feel an affinity with the New Party Sakigake (Harbinger), the Social Democratic Party and the Democratic Socialist Party, the three coalition partners that abhor Shinseito co-leader Ichiro Ozawa.

Sino-Japanese Ink Venture Launched in Tianjin

OW1604142594 Beijing XINHUA in English 1357
GMT 16 Apr 94

[Text] Tianjin, April 16 (XINHUA)—A Sino-Japanese joint venture, Tianjin-Toyo Ink Co. Ltd, was launched here yesterday, and will have the biggest ink output in China.

Tianjin Ink Company, the previous largest one in China, and Toyo Ink Mfg. Co. Ltd, the largest one in Japan, have jointly invested 44 million U.S. dollars.

The venture will have an annual production capacity of 40,000 tons by 1996, becoming the largest ink company in China.

The Japanese ink company had previously funded two enterprises in Liaoning and Guangdong provinces.

Daily Says DPRK Never To Take Military Action First

OW1904055494 Beijing XINHUA in English 0538
GMT 19 Apr 94

[Text] Pyongyang, April 19 (XINHUA)—The Democratic People's Republic of Korea (DPRK) "will never take any military actions first" as its weapons are defensive, said an editorial carried by the official newspaper NODONG SINMUN today.

The DPRK's peace-loving position and policy are "generally recognized by the international community," said the editorial, affirming that the fundamental mission of the DPRK armed forces is to "defend state sovereignty and security" and is totally "of a defensive nature."

The U.S. charge that the DPRK would first launch military actions is an insult to the DPRK's peace-loving policies and also an attempt to slander the defensive nature of the DPRK's armed forces, said the editorial.

It said that the U.S. charge was aimed at justifying its own military adventures.

Criticizing the U.S. and South Korea for having been gradually increasing military threats to the DPRK, the editorial said that the DPRK people and army would not bow to any powers and are now closely following U.S. military moves.

On Monday, two U.S. Navy transport ships carrying six Patriot missile batteries arrived in the southeastern port of Pusan in South Korea and the missiles are expected to be deployed at military bases in South Korea by April 29.

The DPRK has strongly opposed the deployment of Patriot missiles in South Korea, saying that the missiles are to be used for offensive purposes.

A row erupted earlier this month between the International Atomic Energy Agency (IAEA) and the DPRK over the inspection of the latter's nuclear sites.

The Vienna-based IAEA claimed that Pyongyang rejected full inspection while the DPRK said that it had met the IAEA's demands.

IAEA Inspects South Korean Nuclear Power Facilities

OW1804105994 Beijing XINHUA in English 0947
GMT 18 Apr 94

[Text] Seoul, April 18 (XINHUA)—The International Atomic Energy Agency (IAEA) began routine safety checks at nuclear power facilities in South Korea Monday [18 April].

Two IAEA inspectors, Bodadilla Muchino of Mexico and I. Acquah of Ghana, arrived here Sunday for a week-long inspection of nuclear reactors as well as nuclear processing facilities.

They started their official duties by examining documents and records on management and storage of nuclear fuel and comparing them with on-the-spot field studies.

The inspectors will change the batteries and film of surveillance equipment and seal some areas where necessary. Storage of used nuclear fuel will also come under investigation.

The IAEA conducts routine inspections every two months of the heavy-water reactor at Wolsung and every four months of the other eight light-water reactors, according to official sources.

At present, nine nuclear power stations are operating in South Korea.

Southeast Asia & Pacific

NPC Vice-Chairman Meets With Brunei Guests 18 Apr

OW1804125394 Beijing XINHUA in English 1239
GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—Wang Guangying, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC), met and had a cordial and friendly conversation here this morning with an economic and trade delegation from Brunei.

The 39-member delegation, headed by Koh Hoe Kiat, acting chairman of the Chinese Chamber of Commerce of the Brunei capital, arrived here as guests of the China Council for the Promotion of International Trade. The delegation is scheduled to visit Shanghai and Hangzhou.

NPC Official Leads Delegation on Visit to Indonesia*OW1904074294 Beijing XINHUA in English 0716
GMT 19 Apr 94*

[Text] Beijing, April 19 (XINHUA)—A 10-person delegation of the China-Indonesia Association of Economic, Social and Cultural Cooperation (CIAESCC) left here today to pay a friendly visit to Indonesia.

The delegation led by Wang Guangying, vice-chairman of the Standing Committee of the National People's Congress and president of CIAESCC, were guests of the Indonesia-China Association of Economic, Social and Cultural Cooperation.

Jiang Zemin Welcomes Australian Governor General*OW1804145294 Beijing XINHUA in English 1410
GMT 18 Apr 94*

[Text] Beijing, April 18 (XINHUA)—Chinese President Jiang Zemin today expressed the hope that China and Australia would cooperate and take up the challenges of the 21st century.

Meeting with visiting Australian Governor-General Bill Hayden at the state guesthouse here this afternoon, Jiang said since the two countries established diplomatic ties in 1972, bilateral relations have developed in an all-round way.

As two big influential countries in the Asian and Pacific region, the Chinese president said, China and Australia are shouldering important responsibilities for safeguarding regional security and stability and promoting regional economic cooperation and prosperity.

"We should set our eyes on the whole world and the 21st century, not just on the two countries," he stressed.

He said the future of the world is bright, as countries with different social systems can live in peace and harmony as long as they handle state-to-state relations on the basis of the five principles of peaceful co-existence.

He said that the bilateral trade and economic cooperation between China and Australia hold out broad prospects.

Last year, he said, the volume of trade between the two countries hit an all-time high and Australia is one of the countries with the largest share of investment in China.

Hayden expressed his appreciation of the remarkable achievements that China has made in the economic field. He said these achievements have brought about benefits to the ordinary Chinese people.

Hayden said that over the past few years, Australia-China relations had grown smoothly and high-ranking officials of the two countries exchanged visits frequently.

The development of bilateral friendly ties and cooperation conforms to the interests of the two countries, he said.

Prior to their talks, Jiang presided over a welcoming ceremony for Hayden and Mrs. Hayden and their party in front of the Great Hall of the People.

Chen Muhua, vice-chairman of China's National People's Congress Standing Committee, was present on the occasion.

Jiang gave a banquet this evening in honor of Hayden and his wife and their party. Present was Chinese Vice-Premier and Foreign Minister Qian Qichen.

Hayden arrived here this morning for a state visit to China at the invitation of President Jiang Zemin.

Tian Jiyun Meets New Zealand Speaker Tapsell*OW1904053694 Beijing XINHUA in English 0520
GMT 19 Apr 94*

[Text] Wellington, April 19 (XINHUA)—China and New Zealand can complement each other in many economic fields, said Tian Jiyun, vice chairman of the Standing Committee of the Chinese National People's Congress (NPC) here today.

He made the statement when met by Peter Tapsell, speaker of the New Zealand House of Representatives.

He noted the two countries are cooperating in a forestry project in the south island of New Zealand which is China's largest forestry joint venture overseas.

They could also cooperate in such fields as the processing of animal husbandry products and aquatic products.

Tapsell said he also like to see plenty of Chinese investment in New Zealand.

The speaker, who paid a visit to China early this month, said the two countries can also increase cultural exchanges.

After the meeting, Tapsell give a luncheon in honor of the Chinese NPC delegation led by Tian Jiyun.

Papua New Guinea Governor General on Bilateral Cooperation*OW1804165294 Beijing XINHUA Domestic Service in
Chinese 1123 GMT 8 Apr 94*

[Text] Canberra, 8 Apr (XINHUA)—According to a report from Port Moresby, Papua New Guinea Governor General Korowi indicated on 7 April: The Papua New Guinea Government attaches importance to developing economic and trade cooperation with China and hopes to import China's technology and personnel to help develop its medium and small enterprises.

Korowi made the above statement when receiving credentials from the newly appointed Chinese Ambassador to Papua New Guinea Yuan Zude.

During the conversation, Korowi highly commended China's accomplishments in its reform and opening up and its important roles in international affairs. He was satisfied that Papua New Guinea- Chinese relations have

been progressing smoothly and that both countries have been mutually supporting, and actively cooperating with, each other on international issues.

He said: He expects China to expand its investments in Papua New Guinea and to develop Papua New Guinea's resources to enhance bilateral cooperation and economic and trade exchanges that are mutually beneficial.

Political & Social**Song Jian To Head Environmental Law Inspection Team***OW1904031794 Beijing Central Television Program
One Network in Mandarin 1100 GMT 6 Apr 94*

[Announcer-read report from the "National News Hookup" program]

[Text] A nationwide check on the enforcement of the environmental protection law for 1994 will formally begin in May. Wang Bingqian and Song Jian will head the general inspection group. Major inspection work for this year will be carried out in Hebei, Inner Mongolia, Jilin, Zhejiang, Fujian, Henan, Hunan, Guangxi, Sichuan, and Guizhou. Inspection teams will mainly carry out inspections in those provinces on the implementation of the environmental protection law, atmospheric pollution prevention law, water pollution law, wildlife animal protection law, ecology-related laws and regulations, and laws and regulations formulated by the State Council.

Qiao Shi Urges Reform During Sichuan Inspection Tour*OW1804131094 Beijing XINHUA in English 1244
GMT 18 Apr 94*

[Text] Chengdu, April 18 (XINHUA)—Qiao Shi, a top Chinese leader, has emphasized the importance of unswervingly implementing measures to expand reforms and soberly solve various specific problems.

During April 13-18, Qiao, chairman of the Standing Committee of the National People's Congress, China's legislature, inspected a number of major state-owned enterprises and township-run factories in south-west China's Sichuan Province.

Qiao asked local officials to firmly implement various reform measures taken since the last quarter of 1993, by seizing current domestic and international opportunities favorable to China's economic construction and following Deng Xiaoping's theory of building socialism with Chinese characteristics.

"Everyone has noticed that these reform measures have played a significant role and reported initial successes," said Qiao, who is also a standing committee member of the Political Bureau of the Chinese Communist Party Central Committee.

The leader also noted that problems are bound to crop up when profound reforms are being carried out in a vast country such as China.

"We must be calm and sober-minded when encountering problems," he said.

Qiao Shi also stressed the need to strengthen the Communist Party's leadership in the course of implementing reform measures.

He urged party and government officials at all levels to guard against corruption, work in the interests of the people, improve their style of work, go to grass-roots units, show concern about people's work and livelihood and lead the people in overcoming difficulties.

Speaking of enterprise restructuring, particularly major state-owned companies, Qiao said that all enterprises must get in gear with the market, invigorate their operational set-up, improve their product quality and economic returns, and enhance their competitiveness.

It was imperative to continue strengthening the leadership over the farming sector and rural work and take practical measures to solve problems that have cropped up in agricultural development, he said.

Moreover, effective measures must be taken to increase farmers' incomes and ensure an increase in production of grain, cotton and cooking oil, he added.

He expressed the belief that China's rural areas will become increasingly prosperous by expanding production of township-run factories and speeding up construction of small cities and towns.

Speaking of surplus labor in rural areas, he said that Sichuan should solve this problem by providing labor services to other areas, expanding production of rural factories and accelerating infrastructure construction in a variety of forms, such as mobilizing farmers to build roads and water conservancy facilities.

While visiting the Sichuan provincial museum and a number of other cultural facilities, Qiao said that in China's modernization drive, it was necessary to draw on what is good in foreign cultures and carry forward outstanding Chinese national culture.

Officials Transfer Dissident Bao Tong to Hospital*HK1904064994 Hong Kong SOUTH CHINA
MORNING POST in English 19 Apr 94 p 10*

[By Willy Wo-Lap Lam]

[Text] Leading dissident Bao Tong has been transferred to a hospital for treatment, but friends and relatives are losing hope for an early release. An informed source said the family of Bao, the principal secretary of ousted party chief Zhao Ziyang, had petitioned the Ministry of Public Security and the Justice Ministry for permission to see his doctors.

The source said, although he was admitted to hospital in Beijing last month, it was not an indication that the senior member of the Communist Party's liberal faction would be granted "parole for medical treatment".

The news came despite hints by Chinese officials that in return for unconditional Most Favoured Nation (MFN) status from Washington, Beijing might grant "medical bail" to a number of dissidents in April and May.

A source close to the family said Bao, the former political secretary of the Politburo who is serving the second half of his seven-year jail term for alleged offences, including "leaking state secrets", had recently undergone treatment for a serious thyroid gland complaint. "Six tiny tumours have been detected in his thyroid glands by doctors in the downtown hospital to which he was transferred from Qincheng Prison," the source said. "The doctors told Bao the tumours do not appear to be malignant but a further period of observation is warranted. No plans for surgical removal of the tumours have been made."

The source said it was unlikely Bao would be moved back to Qincheng, which is in the outskirts of Beijing, in the near future. It is understood, however, that relatives had expressed dissatisfaction about the "inadequate medical attention" Bao was given. They feared that since a few tumours had shown signs of fusion, the abnormal growths might be a symptom of cancer.

Moreover, according to a relative, Bao's face was swollen and he could no longer speak clearly because of problems with his vocal cords. He added that immediately before he was taken into hospital, Bao was in severe pain suffering from inflammation of shoulder joints. The relative added that, while medical facilities, food, and general living conditions were slightly better in the hospital than in Qincheng, Bao's overall physical condition continued to deteriorate.

Sources in the dissident community in Beijing said, in view of China's confidence in securing MFN, it was unlikely the authorities would grant medical bail to high-profile prisoners of conscience including Bao. Meanwhile, the authorities have stepped up surveillance of dissidents suspected of organising protest activities in the run-up to the fifth anniversary of the Tiananmen Square massacre in June. For example, relatives said Liu Nianchun, a labour activist who organised a petition for improvement in workers' rights in the spring, had been under virtual house arrest since last month.

Wei Jingsheng 'Under Police Surveillance' at Hotel

HK1904043994 Hong Kong AFP in English 0431 GMT
19 Apr 94

[Text] Beijing, April 19 (AFP)—China's best known dissident Wei Jingsheng has been placed under police surveillance in a hotel in the Beijing suburbs, his family said Tuesday. "Police told my father that Wei Jingsheng was in a medium-class hotel in the suburbs," said Wei Ling, his younger sister told AFP. But they did not give the name of the hotel, she added.

A security ministry official contacted by telephone refused comment.

Wei was detained on April 1 on suspicion of having "committed new crimes" but his family has not been told if new charges have been brought against him. Last week a foreign ministry spokesman said Wei was a "criminal" and that his case had nothing to do with human rights.

Wei, 43, was freed on parole last September after serving 14 years in jail for his role as a leader of the Democracy Wall movement in 1978-79. Since then he has given several interviews to the foreign press in which he said he planned to continue his fight for democracy in China.

Wei's secretary Tong Yi, has also been detained by the authorities, but Wei's family is without news of her.

Bombs 'Found' Near Beijing Airport, Railroad

HK1904050094 Hong Kong CHENG MING in Chinese
No 198, 1 Apr 94 p 15

[By Chieh Ming (2212 2494): "Beijing's 'Extraordinary 9 March Political Case'"]

[Text] On the night of 7 March, the Ministry of Public Security received a report: Four incendiary devices had been found in a large basket of apples at Beijing's Fengtai Sports Center; at the same time, two smoking incendiary bombs were found at a work site near the Military Museum of the Chinese People's Revolution. The Beijing Municipal Government duty office also received an anonymous telephone call, saying that an explosive package had been found under a bridge on Nansanhuan Road and that it would explode soon. When public security personnel and People's Armed Police arrived at the scene, they found nothing. The calls were hoaxes. That evening, the Beijing Municipal Public Security Bureau and the Beijing Municipal Government received 12 telephone calls and dispatched over 80 people on various occasions to no avail. Later that night, two People's Armed Police on duty at the International Conference Center were wounded by a sniper.

In the early morning of 9 March, with the help of a police dog, the 2d detachment of the Beijing People's Armed Police found a time bomb made with 30 kg of TNT in a ditch beside the highway to the airport. The bomb was set to explode at 0500. In the meantime, public security personnel also found a time bomb in a wooden box on a slope near the Beijing-Guangzhou railway in Fengtai, and the ignition time was also set at 0500.

According to the Ministry of Public Security, the two cases on the night of 7 March and in the early morning of 9 March were carried out by the same underground organization. Anonymous telephone calls on the night of 7 March were also made by them. The incendiary bombs were home-made and the advanced way the chemicals were made up showed that they were made by persons with specialist knowledge in this field. The time bombs

were smuggled into the country from outside the borders. It can be basically ascertained that this was a case connected with or controlled by a hostile organization overseas. The time bombs probably came from Japan or Taiwan. This is the most serious case of violent destruction found in recent years and has been called the "extraordinary 9 March political case." Public Security Minister Tao Siju has personally taken charge as the leader of the special group responsible for examining the case.

In another development in early March, a time bomb was also found near Putian City's Dongzhen reservoir in Fujian Province. Affected by damp, the bomb did not explode at the prescribed time. According to the Fujian Provincial Public Security Department, if the bomb had exploded, the political effects would have been greater than the explosion itself.

On the early morning of 8 March, a time bomb was found in soap box at an artillery base near Changsha, Hunan Province. The bomb was later detonated by servicemen stationed there.

According to a relevant source, the aforesaid time bomb incidents are similar in terms of timing and the type of bomb. Therefore, the possibility that they were carried out by a hostile organization with branches in many parts of the country cannot be ruled out.

State Gives 'Sweeping Powers' to Anticorruption Officials

HK1904082994 Beijing CHINA DAILY in English 19 Apr 94 p 3

[Unattributed report: "New Rules Intensify Checks on Corruption"]

[Text] Investigators have been given sweeping new powers to check officials suspected of corruption, it was revealed at the weekend.

They include freezing suspects' accounts and allowing taping or video interviewing with the alleged offenders.

Eight new measures were announced by the Central Discipline Inspection Commission, the Party's main inspection body.

The commission expects to use the rules to help clean up the Party and guide China's campaign against corruption.

The measures, contained in its revised working rule, go into effect from May 1.

Inspectors can now look up and photocopy documents, account books, bill and records of meetings related to each case.

The books, bills, paperwork goods and cash can also be seized, subject to the approval of county level discipline

chiefs. Investigators will be allowed to check and freeze the bank accounts of suspects.

People under investigation can also be photographed, videoed and tape recorded if necessary.

Four other measures cover the verification of reports, proof, further explanation and files.

Inspectors will be able to suspend suspects temporarily from their jobs.

These people will be prevented from going abroad or making business trips without the inspectors' approval.

National Meeting on Illegal Textile Trade Held

HK1804120494 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 10 Apr 94

[Text] The Fourth National Working Meeting on Cracking Illegal Textile Transit-Trade Activities, jointly sponsored by the Ministry of Foreign Trade and Economic Cooperation, the General Administration of Customs, and the State Administration for the Inspection of Import and Export Commodities, was opened in Guangzhou today. Over the past year our government departments have adopted a series of measures to stop illegal textile transit-trade activities. Since 1990 our country has punished 14 domestic export enterprises and manufacturers, suspended trade contacts with three foreign enterprises, and closed the office of a foreign enterprise in China.

The meeting participants published a bulletin on punishing four enterprises including Shengyang's (Dongmao) Industrial Company, and others which engaged in illegal textile transit-trade activities. The meeting will also study and solve several specific problems occurring in the course of cracking illegal transit-trade activities, such as exports of textile products without the country of origin noted, export permits for textile products, appeals lodged by relevant export enterprises, controversial places of origin, and falsification of place of origin. This year the Ministry of Foreign Trade and Economic Cooperation, General Administration of Customs, and the State Administration for the Inspection of Import and Export Commodities will form a leading group responsible for cracking illegal textile transit-trade activities. They will continue to carry out a nationwide investigation and formulate specific measures and methods.

On behalf of Guangdong Province, Vice Governor Lu Ruihua addressed the meeting. He said: Guangdong has never supported, concealed, or covered up illegal textile transit-trade activities. It will make checks at all levels in terms of orders of goods, agents, and exports to put an end to illegal smuggling of textile goods.

Shi Guangsheng, vice minister of the Ministry of Foreign Trade and Economic Cooperation, attended today's meeting and spoke.

Workers Hold Ideological-Political Meeting in Sichuan

OW1804222694 Beijing XINHUA Domestic Service in Chinese 1002 GMT 17 Apr 94

[By RENMIN RIBAO reporter Chen Hua (7115 5478) and XINHUA reporter Jin Xiaoming (6855 1420 2494)]

[Text] Chengdu, 17 Apr (XINHUA)—The eighth annual meeting of the Chinese Workers' Ideological and Political Work Society was held in Sichuan's Deyang city today. All representatives to the meeting reached a consensus that enterprises' ideological and political work should be subordinated to and serve the whole party's overall work, which is guided by the principle of "seizing the opportunity, deepening reform, opening up wider, promoting development, and maintaining stability."

Attending the five-day annual meeting were representatives of 30 provinces, autonomous regions, and municipalities as well as relevant ministries and commissions. Also attending were more than 100 representatives from enterprises. They will study and exchange ideas, practices, and experiences concerning how to further strengthen and improve enterprises' ideological and political work under the new situation of building a socialist market economy. They will also amend the society's charter and elect directors for the new term to form a new leading organ.

Xu Weicheng, deputy executive head of the Propaganda Department, presided over today's meeting.

Yuan Baohua, chairman of the Chinese Workers' Ideological and Political Work Society, gave a report at the meeting. He said: Exploring new ways to promote enterprises' ideological and political work is of very important significance in ensuring the smooth progress of enterprises' reform and the coordinated construction of material and spiritual civilizations.

Yuan Baohua continued: As far as enterprises' ideological and political work is concerned, the current situation provides both opportunity and challenge. During the course of carrying out this year's reform, which is wide in scope and great in difficulty, some unexpected problems and some confused thinking might crop up. It is imperative for us to knuckle down to our ideological and political work, with a clear objective in mind. The publication of Volume Three of the *Selected Works of Deng Xiaoping* has provided us with most effective weapons for carrying out this task.

Yuan Baohua emphatically said: The primary objective of this year's work is to ensure that enterprises will carry out the tasks of arming the whole party with the theory of building socialism with Chinese characteristics. It is necessary to follow the mass line, carry out enterprises' democratic management, carry forward a hard working spirit, and combat negative and corruptive phenomena. Meanwhile, in the light of workers' ideological realities, we should try to find new ways to carry out this work

under the new situation. To carry out our work in the new period, it is necessary to pay attention to spiritual civilization construction by fostering a correct outlook on life and sense of value among workers. Meanwhile, during the course in which state-owned enterprises are establishing and improving their leadership and making it consistent with the modern enterprise system, the party, government, and trade unions should focus on improving production and management and try to knuckle down to our ideological and political work in all aspects.

While talking about the ideological and political work in our drive to change enterprises' management mechanisms, Chen Qingtai, vice minister of the State Economic and Trade Commission, said: The drive to change the management mechanism requires us to use ideological and political work to stir workers' enthusiasm in participating in reform and to correctly handle the relationship between the concept of invigorating enterprises and that of straightening out their internal management, between the concept of workers becoming the master of the country and that of becoming good workers, between the concept of some people becoming prosperous first and that of achieving common prosperity, as well as between the concept of increasing labor productivity and that of increasing workers' incomes. He urged that enterprises' ideological and political work should be applied to the whole process of production and management. Self-education in various forms should be conducted among workers. In addition, ideological and political work should be institutionalized.

In his speech, Xue Zhaoyun, vice chairman of the All-China Federation of Trade Unions, said: The All-China Federation of Trade Unions should concentrate on routine mass ideological and political work. At present, we should focus on two things: First, it is necessary to help workers enhance their understanding and adaptability to reform policies and methods. Second, we should solve contradictions in a timely fashion and help workers adjust various personal relations on the basis of mutual concern, understanding, and respect.

Commentator Article Advocates Media 'Guiding' People

HK1804151194 Beijing RENMIN RIBAO in Chinese 8 Apr 94 p 1

[Commentator's Article: "It Behooves One To Help Another"]

[Text] On 28 March, this newspaper carried a newsletter entitled "The Affection and Tears of a Foster Mother of Korean Minority," and a commentary entitled "Everyone Comes To Give Some Love," attracting attention and strong responses from the broad masses of readers. On the Harbin-Beijing No. 18 express train, in the Harbin Railway Bureau, in the Heilongjiang Grain Bureau, in Shenzhen, by the south China coast...people

are trying to show they care by donating money. Before this, on 22 March, this newspaper carried an article entitled "Live Like 'Father'" reporting on Xiang Shixin and his wife in Shenyang, who, though earning a moderate income, financially supported a youth in school who was neither a relative nor an old friend, also causing strong responses from readers. Similar stories have often been carried by newspapers recently, making people feel that a warm current of love and offering is flowing in the vast motherland, spreading to millions of households, and encouraging billions of people. In the 1990's, the fine social habit of "one helping another" is still striking deep roots in the Chinese soil.

In the big family on our motherland, no matter where you live, what you do, or what ethnic group you belong to, everyone is the builder of the socialist undertaking, and has common interests, ideals, undertakings, and pursuits. When people are as close as brothers, love one another, and help one another, we will increase the nation's cohesive force and form a strong integrating force for invigorating the Chinese nation. In society, there is always a group of people who are comparatively poor or very poor, who are leading a comparatively difficult or very difficult life, and who sometimes even slip into a very dangerous situation and badly need the help of other people. "One helping another" is required by our socialist system, as well as a duty to be performed by every person who has a sense of social responsibility and a sense of righteousness. A majority of people in society are doing so. However, in a certain period, some people were influenced by mammonism and thoughts of extreme individualism, so they turned a blind eye to other people's difficulties, and turned a deaf ear to other people's call for help. When a hooligan insulted a woman, they stood aside to watch....When a child fell into the water and shouted for help, a man first demanded money....The terrible indifference and the extreme selfishness made them throw away the minimum social responsibility and morals needed for being a man. People of various social quarters expressed righteous indignation and condemnation on this situation and strongly hoped to change it.

Indeed, as we diligently build the socialist market economy system, it has become an urgent and important duty for us to vigorously strengthen spiritual civilization construction in the whole society. If this problem is not solved properly, it will certainly affect social stability and hinder the smooth process of reform, opening up, and modernization construction. Spiritual civilization rests mainly on construction. Like material civilization construction, spiritual civilization construction must also begin from doing concrete things one after another, solidly and persistently. The deeds of PLA soldier Xu Honggan, the deeds of the Korean lady Bai Yulan, and the deeds of many other advanced figures tell us that, amid socialist spiritual civilization construction, the heroic and moving deeds by the broad masses show the truly commendable spirit of dedication, as well as historical initiatives.

In our Chinese nation's history of civilization of several thousand years, respect for the elderly and care for the young, rescuing people in danger and helping the poor, taking up the cudgels for a just cause, and laying down one's life for a just cause, are the traditional virtues praised by the people. In the 70-year history of our party leading the people to engage in revolution and construction, care for others, taking pleasure in helping others, considering others first, sacrificing oneself for public interest, and "eight sides coming to the aid of one side when it has trouble" are outstanding habits which have won hearts and minds. In the new historical period, if we can develop our nation's traditional virtues, uphold our party's outstanding work style, borrow helpful experiences from foreign countries, explore behavioral and moral norms which have the features of the day, and combine all these organically into one, then we can create a world-renowned socialist spiritual civilization with Chinese characteristics.

When we reflect on the reports of these moving stories, we find that mass media have played an important role. So long as we can give full play to the characteristics and strong points of public opinion work, encourage healthy trends, and criticize evil tendencies, we can increase the number of people who like to give and help, and we can decrease the number of those who are extremely selfish and care only about themselves, so that social atmosphere will continue to improve. Journalists have great room to maneuver in the area of guiding people with the correct public opinion and molding people with lofty spirit. This newspaper wishes to join hands and walk side by side with brother units, to continue to work hard.

CPC Stifles 'Thorny' Motions Submitted to NPC

HK1904092794 Hong Kong CHENG MING in Chinese No 198, 1 Apr 94 pp 9-11

[By staff reporters Lo Ping (5012 0393) and Li Tzu-ching (7812 5261 0079)]

[Text] People with breadth of vision at home and abroad have always held that the National People's Congress [NPC] is merely a rubber stamp of the CPC, and does not represent popular will. The CPC does not like to listen to such criticism and has always denied this, saying that this is Chinese-style socialist democracy, which is more democratic than Western parliaments. Is the NPC system democratic, or is it a rubber stamp of the CPC? Let the Second Session of the Eighth NPC held by the CPC not long ago answer the question.

Qiao Shi Urges Deputies To Hold Deliberations According to the Agenda Arranged by the Congress

Prior to the convocation of the congress, Qiao Shi summoned the chiefs of all the delegations, set forth the tasks, urged them to hold deliberations according to the agenda arranged by the congress, and told them to not go too far or make unexpected proposals.

In light of CPC general practice, interim party groups are established for holding national-level meetings, which form small groups, branches, and provisional party committees composed of party-member deputies. On the day before the opening of the congress, a preparatory meeting of party members is held and they are requested to carry out the orders from the top.

The presidium published in the press is merely a form shown to the public. It is the central group of the congress which commands, leads, and exercises control over the congress. Through the interim party committees and basic level party organizations (branches and groups) of the delegations, the central group firmly exercises control over operation of the congress.

Motions Deviating From the Congress Agenda

The central group is most worried about the proposals and motions presented by the deputies which deviate from the congress agenda. Prior to the current congress, a number of bills and proposals deviating from the congress agenda were submitted. During the session, the deputies again made bills, proposals, and joint speeches, which deviated from the congress agenda:

Deputies Strongly Demand That Officials Make Public Their Property

Deputies from Shanghai, Tianjin, Shandong, Jiangsu, and Zhejiang strongly demanded that members of the CPC Central Committee's Political Bureau, state councillors, NPC vice chairmen and CPPCC vice chairmen who are party members, and ministers of various committees and ministries give an account of their economic status, as well as the political, economic, and working conditions of their dependents and relatives so that they can be placed under NPC supervision and can win popular trust.

When deputies from the Shandong and Jiangsu delegations planned to submit such a joint motion to the congress for examination, the central group and the party committees of some delegations held that the motion "overstepped the bounds."

Qinghai Blames Central Leadership for Damaging Its Own Reputation

A deputy from Qinghai pointed out that the central leadership called for support for the poor provinces to end their backwardness, but no funds have been allocated and a request for enjoying the preferential policies similar to the coastal areas was not even approved. As a result, local leaders and masses said: The central leadership is saying one thing but doing another, thus damaging its own reputation.

Ningxia Deputies Complain About the New Tax System

The deputies from Ningxia had a different view on the State Council's tax reform and revenue-sharing system: To narrow the gap between regions and assist the development of the backward, poor, and remote regions, a

different tax system should be formulated in light of the economy, output value, and base figures of each province, municipality, and autonomous region.

Deputies From Beijing and Hebei Say Streamlined Cadres Incompetent

Deputies from Beijing and Hebei pointed out: Party and government organs have not taken due action in the work of streamlining cadres. Some of the streamlined cadres have sought employment in economic entities, financial organizations, or large joint venture. When they cannot not make a gain or the conditions are inferior to their former units, they resume their former positions and some even get a promotion. Last year, the number of cadres streamlined was less than 10 percent of the set target. The motion submitted by the Beijing delegation said: As streamlining constitutes an important measure of reform, it should become a regular work and the set target must be met on schedule.

Triads Running Wild in Shanxi

A Shanxi deputy urged the NPC Standing Committee's survey team to probe into the activities of triads in Shanxi. The deputy pointed out: The provincial government and the procuratorial and judicial organs always try to shift their responsibility by saying that the "problems are thorny" and "most of them constitute a problem among the people." The deputy said: The problem lies in the government leaders. When the question was raised by the deputy, the delegation party committee called for seeking unity of thinking and not raising the issue. But some deputies asked the party committee: What is the motive behind that?

Inner Mongolia Requests the Preferential Policies of a Special Economic Zone

A deputy from the Inner Mongolia Autonomous Region submitted a motion asking the central leadership to ratify Inner Mongolia's request to enjoy preferential policies similar to the Hainan Special Economic Zone [SEZ] so that they can open the door to the Republic of Mongolia and Russia. Some deputies proposed that leaders of the autonomous region and prefecture governments should be composed of the local nationals.

Hainan Wants To Set Up Red Light Districts

A Hainan deputy asked whether the government could make legislation, allowing Haikou and Sanya to set up red light districts, which would enable the two cities to become more like a capitalist society, enhance social order, and increase revenue.

Shandong Urges Separation of Party Leadership From Government Administration

A Shandong deputy said: The people's congresses are the highest organs of state power. But they have actually

become subsidiaries of the party committees and governments. This does not conform to the PRC Constitution. Party organizations should not meddle in government work. The functions of the party should be separated from those of the government and the party committee secretary and deputy secretaries must not concurrently take up the offices of government and the people's congress.

Hubei Wants To Embody the Authority and Dignity of the "People's Congress"

A Hubei deputy said: To embody the authority and dignity of the people's congress, it is necessary to first establish the status and functions of the people's congress. The functions and powers of the people's deputies should be defined so that they are representative. The proportion of nonparty figures and mass representatives should account for over 35 percent, and gradually increase to over 55 percent, which can fully represent the people of all strata. Deputies from Hubei plan to jointly submit a motion with the Hunan deputies: To fully embody the authority and representativeness of the people's congress, we propose that the proportion of nonparty figures and mass representatives be set at over 35 percent, which will be raised to over 45 percent at the 14th NPC.

Anhui Deputies Want Veto Power and the Right To Remove Officials

In light of the powers authorized by the constitution on people's deputies, a deputy from Anhui pointed out that people's deputies have the right to address the people's congress on examining and removing incompetent officials and even ministers, the premier, and the president. The standing committees of the people's congresses have the right to veto the decisions, policies, and personnel arrangements of the governments at all levels. However, the people's congresses at all levels are actually under the control of the relevant party committees.

Deputies From Three Northeast Provinces Demand War Compensation From Japan

A total of 120 deputies from Liaoning, Jilin, and Heilongjiang submitted a joint motion: The Japanese authorities must openly apologize for the aggressive war launched against China and compensate for the losses incurred on the Chinese people. It is said that Hubei deputies also submitted a similar motion, demanding that Prime Minister Morihiro Hosokawa apologize to the Chinese people during his visit to China.

Qiao Shi's "Three-Point Instruction"

In the face of these motions, Qiao Shi made a three-point instruction at a meeting of chiefs of the delegations held on 13 March:

First, the interim party committees and central groups of all delegations should offer guidance in light of the main theme of the NPC and CPPCC sessions and correct the deviations.

Second, regarding practices which exceed the limits during the session, persuade as much as possible and give full play to the key role of the central groups.

Third, the main theme should be stressed and unity of thinking and views should be sought at the party committee and central group meetings. Measures must be adopted to avoid unnecessary motions and bills, which might affect the session.

At the meeting, Li Ruihuan said: When someone has gone too far, you should step out and stress the main theme of the congress at all times. The party committees and central groups of all delegations must have their delegation well in hand and try to stop the bills and motions that overstep the bounds.

Qiao Shi summoned the chiefs of the delegations to a meeting on 16 March, where he urged them to keep to the main theme at the final stage of the session and to not let the problems which deviate from the main course affect the achievements attained at the session. Qiao Shi emphasized: Full play should be given to the role of the core of all delegations.

Obviously, the bills and motions submitted by the deputies to the congress reflect popular will to a certain extent. It is the public opinion taken from the lower to the top levels. Instead of accepting such public opinion, the CPC attacked the practice and tried by every means to strangle these "unexpected motions." Can this be interpreted as democracy? Conversely, they imposed their theme to the congress and to the people at the basic levels. Is this what they call Chinese-style socialist democracy?

At the NPC session, Qiao Shi gave a vivid lesson to the deputies, enabling them to clearly see through the so-called Chinese-style socialist democracy.

Economic & Agricultural

First Quarter Sees Success of Reforms

OW1804143794 Beijing XINHUA in English 1416 GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—Information from the State Statistics Bureau (SSB) showed that China's reforms in the fields of fiscal system, finance and foreign trade were proceeding smoothly in the first quarter of this year.

According to figures from the Customs Department, the country's export volume reached 19.1 billion U.S. dollars in the first quarter, up 18.7 percent on the same period last year.

The figure turned out to be 20.4 billion U.S. dollars for the import sector, which saw a rise of 18.2 percent.

Ye Zhen, spokesman for the SSF, told a press conference here today that China also enjoyed an increase in its foreign exchange reserve, and the market exchange rate remained stable.

According to him, the government's financial revenue (debt receipt was not included) was raised by 21.4 percent in the first three months, while financial expenditure (debt servicing was not included) registered a 23.8 percent growth.

Loans for working capital and fixed assets made up much of the 35.1 billion yuan-bank loans newly granted during the period.

At the same time, bank savings were raised to about 207.2 billion yuan.

To sum up the whole situation of China's economy, Ye said that the main stem of the macro-economy was good, but prominent difficulties and problems still exist.

The prices in the country's urban and countryside markets remained on the rise. The retail sales prices jumped by 21 percent over the same period last year. Prices of life necessities witnessed the highest rates of increase.

But Ye also said that as the government stipulated policies to restrict price rises, price soaring has obviously been slowed down since March.

In other aspects, production of the state industry was only increased by 2.2 percent. The state-owned enterprises were making less profits, more enterprises suffered from losses, many others were in arrears with loans or goods payments.

Ye noted that China's macro-economic control is at a critical period, adding that the economic growth rate was moderate, but tight control was still necessary for the rate of price rises.

He concluded that reforms in the next period should put equal emphasis on stabilizing prices and boosting economic growth.

Nation's Foreign Exchange Reserves Increase

OW1804161294 Beijing XINHUA in English 1535
GMT 18 Apr 94

[Text] Shanghai, April 18 (XINHUA)—China's foreign exchange reserves in the central bank have increased since the beginning of this year, a top Chinese bank official said here today.

Zhu Xiaohua, deputy governor of the People's Bank of China and director of the State General Administration of Exchange Control, said that in general, the supply of foreign exchange has exceeded the demand.

At a ceremony to mark the opening of China's foreign exchange center in Shanghai, Zhu said that last year, the contracted foreign investment in the country amounted to 25 billion U.S. dollars, of which most would be transferred to China this year or next year.

He revealed that from April 1, the foreign exchange in the special account in the people bank of China reached about 40 million U.S. dollars.

He said that once the demand for foreign exchange is higher than the supply, the foreign exchange in the special account of China's central bank will be used to make up the deficiency.

On the cause of the drastic increase of the foreign exchange reserve, he mentioned three factors: increase of in-float overseas capital, export value and income of tourist services.

Economy Grows 9-10 Percent in First Quarter

OW1804135494 Beijing XINHUA in English 1347
GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—In the first three months of this year, China's economy has grown at a rate of 9 to 10 percent.

Ye Zhen, spokesman for the State Statistics Bureau, giving this figure today, said that basically the economy had reached the expected goal of the government's macro control efforts.

Ye said at a press conference that in the first quarter the gross domestic product was 862 billion yuan, up 12.7 percent, in terms of constant prices, on the same period last year.

But the proportion of agriculture was usually fairly low in the first quarter, while that of industry was comparatively high. If this seasonal factor is taken into consideration, the present growth rate of the economy should be 9 to 10 percent.

He said that the comprehensive appraisal of the country's economy has shifted from the juncture of "red light" and "yellow light" to the present juncture of "yellow light" and "green light"—meaning that the economy has cooled down to a proper condition.

The speeds of production, construction and sales, which had been increasing too fast, have begun to fall to some extent.

In the first quarter, the industrial increased value is 533 billion yuan, an increase of 16 percent over the same period last year, with light industry increasing faster than heavy industry. Energy production increased steadily, and the coastal areas increased faster than inland areas.

Due to the slowing down of industrial production, the strained conditions of energy and raw materials supplies, as well as the "bottle-necks" in transport, have been alleviated to different degrees, Ye said.

He said that state-owned enterprises completed investments of 81.5 billion yuan in fixed assets in the first quarter, up 36.2 percent over the same period last year, but it is 34.5 percent lower than the growth rate of the same period last year.

By the end of March, the total volume of retail sales of social consumption goods was 352.2 billion yuan, up 25.2 percent on the same period last year. With the factor of price rises considered, the actual increase was 4.2 percent.

He said that in the present market, about 90 percent of the goods were enjoying balanced supply and demand, except some agricultural produce and by-products which are in short-supply.

With the country's economic development and the processing of wage reform in administrative departments and institutions, the income and living conditions of urban and rural residents have been constantly improved.

In the first quarter, the per capita monthly income for urban residents increased 35.5 percent over the same period last year, while the cash income of rural residents increased 31.1 percent. With the factor of price increases considered, the actual rises were 9.3 percent and 13.1 percent, respectively.

Ye said that at the moment there was no centralized, large-scale "hot spot" for consumption. As a result, many residents have been using their spare money to buy stocks, bonds or simply put it in the bank.

Finance Ministry Provides Notice on Two-Year Treasury Bonds

OW1804163794 Beijing XINHUA Domestic Service in Chinese 1433 GMT 15 Apr 94

[Text] Beijing, 15 Apr (XINHUA)—Responding to some residents' doubts when buying two-year treasury bonds recently, the Finance Ministry issued a public notice. Its full text follows:

A public notice is hereby issued as follows: Wordings of first-phase or second-phase are printed on the back of every two-year treasury bond issued in 1994. Treasury bonds with either first-phase or second-phase wordings are all two-year treasury bonds, that earn an annual interest rate of 13 percent, effective 1 April 1994.

Bureau Issues First Quarter Economic Figures

OW1804133094 Beijing XINHUA Domestic Service in Chinese 0824 GMT 18 Apr 94

[By reporter Zhang Jinsheng (1728 6930 0524)]

[Text] Beijing, 18 Apr (XINHUA)—The figures released today by the State Statistical Bureau show that China's economy continued to operate successfully in the first quarter of this year, with the country's GDP reaching

862 billion yuan. This represents an increase of 12.7 percent over the same period last year calculated in accordance with comparable prices. However, if adjustments for seasonal factors in the first quarter caused by the low ratio of agriculture and the high ratio of industry are made, and if the growth rate is converted into an annual rate, the current economic growth rate is between 9 and 10 percent, the range sought after through the exercise of macroeconomic regulation and control.

According to an authoritative analysis and appraisal, while maintaining an appropriate growth rate, China's economy is approaching the target sought after through macroeconomic regulation and control. The economic operation indicator [jing jien zhi 6097 0433 0237] has shifted from the border line between the "green and yellow lights" at the end of 1992 to the border line between the "yellow and green lights" at present. Judging from the internal structure of the economy, production, construction, and marketing, which have been growing at an excessive rate, have slowed down somewhat.

The statistical data reveal that in industrial production, the added value of industry in the first quarter was 533 billion yuan, up 16 percent over the same period last year. Heavy industry increased 15.3 percent, and light industry rose by 16.8 percent. Coastal areas in the east maintained their lead in growth rates. Because of the fall in industrial production, the strained situation in the supply of energy and raw and semifinished materials and in transportation was alleviated to varying degrees. In fixed asset investment, state-owned units invested 81.5 billion yuan in the first quarter, up 36.2 percent over the same period last year, but the growth rate is 34.5 percentage points lower than the same period last year. Judging from the investment pattern: first, the growth of localized investment items has slightly declined, while centralized items maintained a quicker growth rate; second, transportation, postal, and telecommunications projects were strengthened; and third, as a result of efforts to streamline the real estate industry, the chaotic situation in which development zones, high-class villas, and vacation villages were recklessly undertaken has been checked.

According to the statistics, as a whole, market sales in the first quarter remained stable but declined slightly. The total sales of consumer goods amounted to 352.2 billion yuan, up 25.2 percent over the same period last year—or an actual increase of 4.2 percent after allowing for price rises, a growth rate lower than the average rate of a normal year by 3 to 4 percent points. At present, except for a few agricultural and sideline products whose supply is slightly short of demand, about 90 percent of the other commodities remain in a condition in which supply and demand are basically balanced or supply surpasses demand. At the same time, along with the development of the rural and urban economy and the increase in the wages of the workers of administrative departments and institutions, the income and living conditions of the urban and rural population have improved. In the first

quarter of this year, the average amount of per-capita income that city dwellers used for living expenses increased 35.5 percent over the same period last year and the average net cash income of the rural population rose by 31.1 percent, an actual increase of 9.3 percent and 13.1 percent, respectively, after allowing for price rises.

The operation of the economy shows that the reform of finance, taxation, banking, and foreign trade which the state introduced from the beginning of this year has advanced smoothly and that the economy is basically normal. Export growth has accelerated; the exchange rates have remained basically stable; there has been an increase in the balance of the nation's spot exchange; and more money has been withdrawn from circulation. In the first quarter of this year, loans granted by banks to support industrial and agricultural production and key state construction projects amounted to 35.1 billion yuan. New bank deposits totaled 207.2 billion yuan, of which 186.3 billion yuan are savings deposits by urban and rural residents. The currency issued prior to the Spring Festival was totally recovered from circulation by the end of March. Revenue income increased steadily, and expenditures were basically normal. In the first quarter, revenues rose by 21.4 percent, while expenditures increased 23.8 percent.

Official Assures Foreign Firms on Hard Currency

HK1904083694 Beijing CHINA DAILY in English 19 Apr 94 p 1

[By Zhang Jie: "Official Pledge on Currency for Foreign Ventures"]

[Text] A senior financial official yesterday assured overseas-funded ventures they will get enough hard currency under the new China Foreign Exchange Trade System (CFETS).

For supply is outstripping demand on the country's foreign exchange swap market, said Zhu Xiaohua, vice-governor of the central People's Bank of China as he opened the centre from which the new system operates in Shanghai.

The country set up the national inter-bank exchange system early this month. But the swap market has been retained for now, so foreign-funded ventures can buy and sell hard currencies.

Zhu said the new system, a major part of China's foreign exchange reform, was intended to bring the yuan considerably closer to being a freely convertible currency. And it had got off to a smooth start.

However, he said, officials will work harder to improve the market's management and maintain a stable exchange rate.

Nearly 200 domestic and overseas financial institutions have become members of the system and the number keeps increasing, said reliable sources at CFETS.

The new centre is located on the Bund in Shanghai, the city's financial heart, and it provides services for inter-bank trading and the settlement of hard currencies.

The ultimate aim is for the new system to replace the country's five-year-old swap market, said Zhu.

And all domestic enterprises have been asked to do all their foreign exchange deals through authorized banks.

Zhu firmly dispelled concerns over the supply of foreign exchange for overseas-funded ventures, adding that the foreign exchange surplus will go into a special account at the central bank, which has grown to \$40 million since the start of the month.

"The money will be put into the swap market if needed to keep the balance (between supply and demand)," he said.

Zhu said the surplus came mainly from the increased flow of capital particularly to the coast.

He said foreign banks might be allowed to sell foreign exchange after the market is properly bedded in.

However, their business range will depend on the country's regulations on foreign financial institutions, he added.

Official Evaluates Progress of Reform

HK1704070094 Hong Kong WEN WEI PO in Chinese 10 Apr 94 p a2

["Special article" by intern reporter Yang Fan (2799 1581): "Smooth Progress Made in First 100 Days of the Year of Reform—Interview With Feng Bing, Deputy Secretary-General of the State Commission for Restructuring the Economic System"]

[Text] Beijing 9 Apr (WEN WEI PO)—The year 1994, a "year of reform" to Chinese officials, is a crucial one in which the reform of the market economic structure will be conducted in a comprehensive way. In the 100 days from 1 January to 10 April 1994, how have things been going with the various reform measures newly presented? What are the social effects? Facing these questions, Feng Bing, deputy secretary-general of the State Commission for Restructuring the Economic System answered: "Generally, the implementing of various reform measures has been very smooth, and the assessment from top to grass roots is very high."

Feng Bing indicated that over the past 100 days, reform in the macroeconomic regulation and control system has been conducted, including finance, taxation, banking, foreign exchange, foreign trade, and planned investment.

Tax and Fiscal Reform Is in Period of Fine Tuning

He said measures for tax and fiscal reform are basically in operating normally and in a period of fine tuning. From the angle of effects, internal financial revenue in the first quarter markedly increased. Taking January and

February for example, internal financial revenue was 50.7 billion yuan, up by 32.1 percent over the same period last year; financial expenditures were 49.15 billion yuan, up by 29.1 percent. Income was 1.55 billion yuan higher than expenditures. Conditions for the issuance of 12.92 billion yuan of national bonds were sound, and people were vying for their purchase.

In the course of reform, the phenomenon by which some localities and enterprises arbitrarily raised prices by taking advantage of taxation reform surfaced for a time. Aiming at this phenomenon, the State Planning Commission and Taxation Administration jointly published the "Circular on Banning Price Rises By Taking Advantage of Tax Reform," with the State Council's approval, while augmenting propaganda about and explanation of the new tax system and removing some people's misunderstanding of taxing price subsidies, thus enabling a prompt solution to the problem.

Sound Condition in Foreign Exchange Reform

The main contents of reform in the banking structure this year are, namely, augmenting central bank's functions, and implementing separation of banking of a policy nature from commercial banking. Work in this arena is actively under way. As Feng Bing disclosed, at present the central bank is fast recovering banknotes from circulation, with 90 percent of the banknotes issued before the spring festival recovered, and the condition of monetary operation is sound.

Foreign exchange and foreign trade restructuring with the merger of the two-track exchange rates and implementation of the system of foreign exchange settlement and selling of foreign exchange as the main contents were originally a cause of anxiety because of many uncertain factors and greater risk. However, in the 100 days since the new structure was implemented, progress has been smooth, and conditions are better than expected. The only trouble came in foreign exchange coupons; because of insufficient consideration of the issue, some stores allowed a price hike of goods to be purchased with foreign exchange coupons exclusively. This resulted in a run on foreign exchange coupons and panic buying with them. Later, responsive measures were adopted, and the problem was promptly pacified. The market exchange rate has all along been kept at the comparatively rational level of 8.7 yuan against the dollar. Feng Bing believes that in view of the import-export situation and the revenue and expenditures in foreign exchange, it is entirely possible to stabilize the exchange rate at the present level through regulation of the foreign exchange market.

The planned investment structure is under reform according to the original plan. The "change from fund allotment to loans" is being converted to the "change from loans to investment." The train of thought of plural investment bodies has already been set, with major foundation work completed. However, it will take some time to shape the system.

Reform of the modern enterprise system has not yet spread on a wide scale as of today, and is still in an experimental phase, with 100 enterprises carefully selected for the experiment. The chief hurdles to enterprise transition to the modern enterprise system are, first, excessive social burdens; second, excessive over-staffing; and third, heavy debt burdens. Feng Bing believes the solution to those problems primarily calls for the enterprises' own efforts; however, support and help from governments at all levels are also indispensable.

Consumer Prices on the High Side Calls For Attention

The deputy secretary-general believes the smooth going of various reforms is based on stability, especially economic stability, namely being free of vicious inflation.

He said the price rise range in China in March was 30 percent. The price level was on the high side, which calls for our attention. He denied that the price rise was related to reform in the macroeconomic regulation and control system, especially tax reform. He said that the general level of tax burden has remained unchanged and would not push prices up. It might lead to some readjustment in individual enterprises, but the effect on the general price level is insignificant. He stressed that inflation did not result from reform; on the contrary, reform of the macroeconomic regulation and control system is the most effective means to reduce inflation.

Feng Bing attributed the price rise to two major causes, first, expansion in the scope of investment in fixed assets. Last year, the general input was 110 billion yuan, up by 50 percent from the previous year; this year, the input was 130 billion yuan, up by 20 percent from last year. Too many projects broke ground last year; because they were behind schedule, they helped in expanding the investment in fixed assets this year; consequently, they became the direct cause for increased issuance of banknotes. And second was the expansion in consumption funds, which also resulted in pushing up prices.

Besides, the general price level has remained high; this condition is connected with the aftermath of price reform and price readjustments as well as price rises in farm produce. However, he believed that all this did not pose an absolute threat to consumer prices, because the aftermath of price readjustment almost ended by the end of last year. In addition, there was a good harvest in grain last year, with a comparatively ample supply of such farm and sideline produce as meat and eggs.

Based on the aforesaid facts, Feng Bing said that so long as a good job is done in resolving the excessive scope of investment in fixed assets and the expansion in consumption funds, in addition to maintaining steady growth in agricultural production and adopting measures to promptly ease social psychological pressures, vicious inflation will be avoided.

At the same time, if China can insure the down-to-earth implementation of reform measures in the course of

operation without distortion, the prospects of various reforms in China will be very bright.

Statistics Show Losses in State Firms

HK1904071494 Hong Kong SOUTH CHINA
MORNING POST in English 19 Apr 94 pp 1, 10

[By Geoffrey Crothall in Beijing]

[Text] Nearly half of all China's state-run enterprises lost money in the first quarter of this year, according to official figures released yesterday. A new accounting system adopted by the State Statistical Bureau to "more accurately reflect hidden losses" showed that 49.6 percent of the firms were operating in the red, with total losses in the first three months reaching 15.7 billion yuan (HK\$13.94 billion).

The number of loss-making enterprises last year under the old accounting system was 33 percent. But the new tax system had resulted in many of the previously profitable enterprises now showing losses, said State Statistical Bureau spokesman Ye Zhen.

Industrial production from the state sector only rose by 2.2 percent in the first quarter, compared with the same period last year, while overall industrial production increased by 16 percent to 533 billion yuan. The poor economic performance of the state sector had led to a significant decline in profits and a dramatic increase in debt defaults, Mr Ye said.

Analysts said the new figures showed just how badly the state sector was suffering during the Government's attempts to institute market orientated reforms. A Western economic analyst said: "State run enterprises are clearly failing to keep up with the pace of economic reform. I think the Government will now be forced to slow down those reforms until the enterprises are better equipped to deal with the situation. "The fundamental problem remains the lack of any real social security system to take care of laid off workers and, until that is put in place, very little can be achieved."

Despite the dramatic slowdown of growth in the state sector, the economy as a whole continued to maintain the double digit growth of the previous two years. The gross domestic product for the first three months reached 862 billion yuan, a 12.7 percent increase over the same period last year.

Mr Ye pointed out, however, that once seasonal factors such as the relatively high proportion industrial production to agricultural production were taken into account, actual growth could have already slowed down to the Government's target of about nine to 10 percent.

Inflation, however, remains a major headache for the Government, and Mr Ye said controlling price rises would be the primary responsibility for officials at all levels this year. The national retail price index rose by 20.1 percent in the first quarter, compared with the same

period last year, while prices in the 35 major towns and cities increased by 24.6 percent.

The highest level of inflation was recorded in Haikou the capital of Hainan Island, where prices shot up by 34 percent in the first quarter. Nanjing and Urumqi also recorded inflation of above 30 percent, while prices in Beijing and Shanghai increased by 24.1 percent and 23.3 percent respectively.

Urban inflation was primarily driven by rapid increases in the prices of daily necessities and as such local governments would conduct regular checks on the prices of food and services to ensure that inflation was kept at a tolerable level, Mr Ye said.

He was quick to point out, however, that both urban and rural incomes were increasing at a faster rate than inflation. The average monthly income of urban residents increased by 35.5 percent in the first quarter, or 9.3 percent when inflation was taken into account, while rural income shot up by 31.1 percent in the first three months an increase of 13.1 percent in real terms.

This was the first time in three years that increases in rural income had outpaced urban income in real terms but Mr Ye said regional disparities in the level of income continued to increase. "Because of high price rises in the cities, particularly increases in food prices, a few low income households have been unable to make ends meet and are experiencing difficulties in their lives," he said.

Article Views Changes in Deficit Enterprises

OW1904093594 Beijing XINHUA Domestic Service in
Chinese 0107 GMT 9 Mar 94

[Article by XINHUA reporters Chen Yun (7115 5366), Tian Shubin (3944 5289 2430), and Zhang Juncheng (1728 0193 2052): "Profits and Losses as Viewed from Another Angle"]

[Excerpts] Beijing, 9 Mar (XINHUA)—It seems that we will develop a fixed way of thinking about an economic problem if we keep discussing it for a long period of time. However, if we analyze the problem dialectically, it is not hard for us to discover that nothing is immutable. If we view a fact from another angle, we usually can come up with a new idea.

The new changes faced by deficit-incurring enterprises in China during the course of implementing "Regulations on Transforming the Operational Mechanisms of State-Owned Industrial Enterprises" are the best example of this truth.

Changes Among Those Which Usually Did Not Change—Drastic Decrease in the Losses Caused by Policies and Macro-Control

State-owned enterprises operating with losses have been a longstanding, difficult problem for the whole country. Meetings have been held and measures taken to deal with the problem every year for the last 10 years.

However, the problem remains; it even became worse at one time. For instance, according to statistics compiled under new rules after the implementation of "General Rules for Enterprise Finance" and "Rules for Enterprise Accounting" in July 1993, the enterprises covered by the state budget which operated with losses in 1993 totalled 11,453 in number, 2,488 more than in 1992. They accounted for 31.8 percent of the total, up 7.3 percentage points from the previous year; and the total amount of losses was 31.91 billion yuan, 7.2 percent or 2.13 billion yuan more than 1992.

However, what has not changed is the fact that roughly one third of the enterprises incurred losses, and what has greatly changed is the cause of loss. While some enterprises have alleviated their deficit problem, other enterprises incur more serious losses. According to a 1991 survey conducted by Lu Dong, president of the China Industrial Economy Society, of 50 deficit-incurring enterprises in Beijing, Shenyang and Tianjin, 19.4 percent incurred losses due to policies, 47.8 percent were the result of macro-control, and 32.8 percent suffered losses due to poor enterprise management. According to a 1993 survey conducted by the technology and economy institute of the State Planning Commission and the former production management bureau of the State Economic and Trade Commission, of 2,586 deficit-incurring enterprises in Shanghai, Shandong, Jilin and five other provinces and municipalities, only about 9 percent operated with losses due to policy or macro-control reasons, while 81.7 percent were the result of poor enterprise management.

Statistical figures by category show that China's central industries maintained a trend toward decreased losses in 1993, with a total annual decrease of 5.85 billion yuan in losses. The losses incurred by coal, petroleum and tobacco industries decreased by 17 percent, 54.4 percent, and 66.2 percent, respectively. While their losses were due to policy factors, the decrease in losses was mainly because the state readjusted prices in favor of them, reduced their tax burden, and let them retain more profits. The losses incurred by local industries showed a rising tendency in 1993. The local industrial enterprises which incurred losses in 1993 accounted for 31.5 percent of the total, up 7.4 percentage points. Their total loss was 19.03 billion yuan, up 72.2 percent or 7.98 billion yuan from 1992. The increase in losses was due to local industries—mostly textile, light, chemical, and machine-building industries—being in a period of structural readjustment and change, subject to more uncertain factors. [passage omitted]

Geographically speaking, the ratio of deficit-incurring enterprises slightly decreased in Shandong and Tibet, while it increased to a varying degree in other provinces, autonomous regions, and municipalities during the 1985-1992 period. In 1993, however, of China's 35 provinces, autonomous regions, municipalities, and cities with provincial-level economic decision-making authority (excluding Tibet), the ratio of deficit-incurring

enterprises decreased in Beijing, Dalian, Fujian, Xiamen, Guangdong, Guangxi, Hainan, and Yunnan.

Another good trend is worth mentioning. Over the last two years, state-owned enterprises have shown a tendency toward increased profits. The profits earned in 1992 by the enterprises covered in the state budget increased by 32.1 percent as compared with the previous year, and their profit from a 100-yuan sale increased by 14.1 percent, from 2.06 yuan to 2.35 yuan. In 1993, they maintained the tendency toward increased profits. This is inspiring. [passage omitted]

During our coverage, the plant directors and managers of many large and medium state-owned enterprises told the reporters: The diversified, changeable market demand contains opportunities for the revival of deficit-incurring enterprises. Large and medium state-owned enterprises have several decades of development experience and enjoy the advantages of specialized personnel, technology, and skilled workers, which village and town enterprises do not enjoy. In order to seize the opportunity, it is necessary to apply the new concepts of the market economy and assume a new vision of development and change in treating the advantages and disadvantages of state-owned enterprises. It is necessary to make changes to deal with the changing situation and to develop new supports for enterprises.

Sino-U.S. Study Views Work Environment

OW1604134094 Beijing XINHUA in English 1314
GMT 16 Apr 94

[Text] Hefei, April 16 (XINHUA)—An initial survey of a large-scale Sino-U.S. joint investigation of the impact of environment and occupations on people's health was recently concluded in East China's Anhui Province.

It has produced a large body of data for experts to process and analyze.

The survey was sponsored by the International Research Center of Environmental Epidemiology, an institution jointly founded by Anhui Medical Sciences University and the U.S. Harvard University.

The four-month initial survey began last August 1 among almost 60,000 residents near Anqing City.

Each survey form contained more than 2,300 items of information. It focused on two subjects: natural history of respiratory system diseases and the relations between pesticide pollution and disease.

Regular follow-up surveys will be carried out among the same group of people in the next 15 years and will occupy generations of experts to research and find solutions to problems.

Anniversary of Promulgation of Patent Law Marked

OW1604104794 Beijing XINHUA Domestic Service in Chinese 0736 GMT 12 Apr 94

[By reporter Chen Jinwu (7115 6855 2976)]

[Text] Beijing, 12 April (XINHUA)—China's Patent Law has traveled an extraordinary journey over past 10 years since its promulgation on 12 March 1984. Thanks to the hard work of the last 10 years, China has established a legal system for safeguarding the normal operation of the patent system, including patent authorization procedures, patent agencies, law enforcement and judicial systems, patent information services and automation systems, patent work administration, as well as propaganda, training, and research concerning patent work. Such a legal system has been continuously developed and gradually improved during the course of actual practice.

At today's discussion meeting marking the 10th anniversary of the Patent Law, Gao Lulin, director of the China Patent Office, said: Since the promulgation of the Patent Law, patent application cases have fairly increased over the years. There were only 14,000 patent application cases in 1985. But the number reached to more than 77,000 cases in 1993, an increase of more than 4 times over 1985. As of the end of February 1994, the China Patent Office has received more than 370,000 patent application cases, including 320,000 cases from Chinese applicants and 50,000 cases from foreign applicants.

Gao Lulin said: The promulgation and implementation of our Patent Law not only has created a favorable environment for the transfer of foreign countries' advanced technologies to China, but also facilitated our scientific research institutes and institutions of higher learning introducing their inventions to enterprises and to rural areas. As a result, the promotion of new technologies has been accelerated. Under the protection of the Patent Law, some of our inventions have been introduced successfully on the international market. Some foreign manufacturers have been licensed to use our patented inventions. For example, the Quming Company in Xian has consecutively established cooperative ties with French and Canadian counterparts by adopting their technologies and in return allowing them to become a partner of the joint venture. Three famous foreign companies, including DEC and IBM, have been licensed to use the "five strokes" Chinese-character computer input technology invented by Wang Yongmin.

Gao Lulin continued: The revised Patent Law has enhanced China's patent protection standards, which is now basically on a par with international standards. By setting high protection standards, China has become a member of the Patent Cooperation Treaty. Such a move has facilitated the ability of Chinese people to apply for patent rights in foreign countries and vice versa. It also means that China's patent authorization procedures and

relevant administrative work have reached internationally recognized standards. Law enforcement and judicial work, which integrates the trials of people's courts with the management of patent administrations, have effectively protected the legal rights and interests of the owners and relevant parties regarding patent rights. Patent agencies and patent information service organizations have provided a large amount of service to the society. In addition, they have continuously developed during the course of actual practice. A national patent administration system, which is composed of the China Patent Office as well as patent administrative organs under local governments, ministries, and commissions, has been formed. It has carried out a many tasks in guiding and pushing forward the development of patent procedures and conducted many useful explorations and experiments.

Housing Investments in 1993 Reported

HK1704073394 Hong Kong ZHONGGUO TONGXUN SHE in English 0432 GMT 16 Apr 94

[Text] Beijing, April 16 (CNS)—According to the Vice Minister of Construction, Mr. Tan Qinglian, China saw great achievements in housing construction last year with investment surpassing RMB [renminbi] 150 billion, finished housing area of more than 200 million square metres and the investment in construction of commodity housing making up more than 50 percent of the total investment.

China invested RMB 162.9 billion in urban housing construction last year, 11.7 percent up over the year before and making up 13.8 percent of total fixed assets investment. The completed housing area of 205 million sq. metres was 15 percent more than the year before. New urban housing increased its commercialization level with investment for commodity housing increasing by 296 percent over the year before, making up over 55 percent of the total housing investment, indicating commodity housing construction has become the pillar one in this sector.

Foreign Investment in Bohai Bay Area Increases

OW1804120894 Beijing XINHUA in English 0800 GMT 18 Apr 94

[Text] Tianjin, April 18 (XINHUA)—Foreign investment totalling more than 10 billion U.S. dollars flowed last year into the area around Bohai Bay in eastern and northern China.

This area includes Liaoning, Hebei, Shandong and Shanxi Provinces and two cities of Beijing and Tianjin, where there are rich natural resources, good transport networks and sound industrial foundations. It has become the third most sought-after zone for foreign investors, behind the Zhujiang Delta in south China and the Chang Jiang River Delta in east China.

According to figures from the Tianjin-based information center for the area around Bohai Bay, more than 10,000 foreign-funded enterprises were approved to be set up in the area last year.

At present, investors from Japan, the Republic of Korea, Singapore and Taiwan take this area as their first choice and some transnational corporations and international financial groups are also most interested in this area.

The Motorola Corp. of the United States will invest 200 million U.S. dollars to build a mobile telecommunication equipment factory in Tianjin; the AST Company and the United Tech Corp. of the United States have also decided to increase their investment in Tianjin.

Beijing Taxation Bureau on Tax Compliance

OW1804115894 Beijing XINHUA in English 0748
GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—Beijing's self-employed business operators turned over 280 million yuan in taxes in 1993, an increase of 90 percent over 1990, according to the Beijing Taxation Bureau.

The number of these operators was 224,000, an increase of 68.4 percent over 1990.

Furthermore, an official from the bureau said, cases of tax evasion have declined drastically.

He attributed all this to improved tax regulations as well as the heightened awareness of the importance of paying taxes on the part of the public.

Statistics show that the income tax paid by individuals has increased by 58.2 percent since 1990 and hit 123 million yuan in 1993.

The official said the main part of the individual income tax comes from highly paid Chinese employees of foreign-funded ventures.

The number of private enterprises increased to about 4,000 in 1993 from only eight in 1988, while the tax they turned over increased from about 100,000 yuan to 130 million yuan.

He admitted that tax returns from people in entertainment circles, contractors of construction enterprises and commodity brokers are far from satisfactory.

Three Gorges Urges Competition on Contracts

HK1604072894 Beijing ZHONGGUO XINWEN SHE
in English 0351 GMT 16 Apr 94

[Text] Yichang, April 16 (CNS)—Head of the materials division of the Three Gorges Project Corporation Mr. Shi Zhenyu said that the corporation hoped that businessmen would actively compete for contracts for the project and they would be welcome to supply material products of high quality.

The project is the biggest hydroelectric power project in the world with total investment put at RMB [renminbi] 50.9 billion. Its enormous dam will require a large amount of construction materials including one million tonnes of steel products, six million tonnes of cement, 1.3 million tonnes of special local ash, one million tonnes of oil products, 35,000 to 50,000 cubic metres of timber and 35,000 tonnes of other materials. These construction materials will cost some RMB 20 billion.

In order to achieve the goal put forward by Premier Li Peng that the Three Gorges project should have top-grade materials, top-grade management and top-grade construction, the materials division will connect the planned supply with its purchasing so as to choose the best materials for the project.

East Region

Fujian Governor Discusses Provincial Economic Issues

HK1804120594 Fuzhou Fujian People's Radio Network
in Mandarin 2300 GMT 11 Apr 94

[Text] Yesterday, Jia Qinglin, secretary of the provincial party committee and governor, visited with delegations from the cities of Sanming and Putian to listen to their discussions on the government work report and he discussed his views with the deputies on issues such as the development of agriculture and the rural economy, technological transformation of old state-owned enterprises, technological input, and the building of spiritual civilization.

Jia Qinglin said: In view of the relatively low income the peasants earn from working the land, the provincial government has taken some measures and increased grain prices. Therefore, it is necessary for leaders in various localities to do more ideological work, encourage the spirit of dedication, and manage grain-producing areas well. Not only should grain-producing areas pay attention to grain production, but the coastal areas should also do the same. When talking about the new line of thinking on developing grain production, he said: We should not develop a one-crop economy and take grain as the key link as we did in the past, because such a practice will lead us nowhere. Grain production should be carried out as part of the entire rural economic development in connection with the development of a diversified economy and the bid to increase the peasants' income. The more grain production is developed, the greater the need to develop a diversified economy will become. Only when the entire rural economy develops and the peasants' income rises can grain production possibly be uplifted.

When discussing large and medium-sized enterprises, he pointed out: Large and medium-sized enterprises must speed up the pace of technological transformation, continuously upgrade technology, enhance their competitiveness, and at the same time, do a good job of the basic work to establish a modern enterprise system, strengthen internal enterprise management, continue to change the way enterprises operate, and gradually strive to become modern enterprises.

When dealing with technological input, he remarked: There is still a problem of low returns in regard to the current transformation of scientific and technological research achievements into productive forces. Scientific and technological efficiency cannot entirely be achieved by relying exclusively on government investment. It is necessary to conduct a series of reforms in agriculture and the scientific research structure and absorb some useful experiences from foreign countries. It is my hope that departments concerned will do more research.

Jia Qinglin also stressed: It is necessary to place simultaneous stress on the two civilizations and attach importance to the development and construction of Meizhou Wan.

Fujian Symposium on Major Economic Tasks

OW1804115994 Beijing XINHUA in English 0726
GMT 18 Apr 94

[Text] Fuzhou, April 18 (XINHUA)—East China's Fujian Province has designated its priorities for economic development this year.

The major tasks were discussed at a recent economic symposium attended by Hong Kong, Macao and overseas Chinese entrepreneurs, as well as local government officials.

They put forward the following tasks:

- The further improvement of the current open pattern of this coastal province to promote local development. The construction of the economic zone at the mouth of the Minjiang River, and the petroleum, chemicals, iron and steel and power industries, and the port at Meizhou Bay will be speeded up. The economy in the mountainous area will be promoted with the building of Wuyishan Airport and railway construction.
- Infrastructure construction will be accelerated to improve the investment environment. The province's planned investment in infrastructure is 26.2 billion (about three billion U.S. dollars), 20.4 percent higher than last year. Some 30 key infrastructure projects have been designated by the province, 21 of which are in the transport and power sectors.
- Approval procedures for foreign investors will be streamlined. Crucial problems concerning major projects will be coordinated by the provincial government. Laws and regulations concerning foreign-funded projects will be strengthened.
- Foreign investment will be oriented mainly toward ports, the power industry, airports, highways, agriculture and the technical upgrading of old enterprises.
- Foreign-funded firms will be helped in their operations, especially in the fields of marketing, raw materials, labor and energy supply.
- Efforts will be made to maintain a stable influx of foreign funds.

Wang Jianshuang, deputy governor of Fujian, told the symposium that the province would provide more convenient conditions for overseas investors.

Fujian Province Offers Taiwan Use of Port Facilities

HK1804040994 Hong Kong SOUTH CHINA MORNING POST in English 18 Apr 94 p 8

[By Daniel Kwan recently in Fuzhou]

[Text] Fujian, China's frontline province with Taiwan, is hoping to penetrate Taipei's "white glove" mainland policy by opening her harbour resources to Taiwan businesses. The invitation by the newly-elected Fujian Governor Chen Mingyi is a tempting offer because Taiwan which has achieved impressive economic growth over the past decade, has been under great pressure to expand its already saturated harbours. Taiwan's two largest ports, Keelung and Kaohsiung, have been so heavily congested in recent years that seagoing vessels often face lengthy delays.

According to Mr Chen, Taiwan's petrochemical and shipping business could reap impressive economic benefits if they made use of port facilities on Fujian's 3,300-kilometre coastline. For example, Mr Chen said Fujian was ready to open the Meizhou Bay and a military port at Sandouao to Taiwan. They are ideal for the construction of deep-water port facilities. Mr Chen believed these two ports not only provided a solution to the congestion problems at Taiwan's Keelung and Kaohsiung, they could also serve as entrepot to Taiwan. Furthermore, economic co-operation between Fujian and Taiwan could also cover joint development of petroleum resources in the Taiwan Strait, meteorological studies and agriculture, Mr Chen said.

According to another Fujian official, Communist Party Secretary Jia Qinglin, Beijing has already earmarked Zhangzhou in southern Fujian as a "priority development zone" and promised to allocate 20 million yuan (HK\$17.76 million) every year for its development. The last attraction was considered a direct response by Beijing to an earlier suggestion by Taiwan President Lee Teng-hui that Taiwan farmers might consider joining hands with their mainland counterparts.

Plagued by rising land cost and serious environmental pollution, Taiwan farmers have been pressuring the Government for assistance to maintain their market competitiveness. In addition, Mr Jia, who is also the chairman of the province's legislature, said Xiamen, which was opposite to Taiwan's Quemoy island would soon introduce new laws to guarantee the protection of Taiwanese investors' interest there.

Fujian's eagerness to lure Taiwan business was also evident from the fact the Government was ready to invest billions of yuan in energy projects including a US\$4 billion (HK\$30.88 billion) nuclear plant in a small town called Shanqian.

Although the Kuomintang Government in Taiwan still officially maintained its "one China" policy, it has

steadfastly resisted pressure from her business community to open direct communication and transport link with the mainland. This "white glove" policy by Taipei was a major obstacle to large Taiwan businesses investing in China.

Fuzhou State Enterprises Receive Foreign Funding

HK1904081994 Beijing ZHONGGUO XINWEN SHE in Chinese 1226 GMT 1 Apr 94

[By reporter Qiu Jiangbo (6726 3068 3134)]

[Text] Fuzhou, 1 Apr (ZHONGGUO XINWEN SHE)—Fuzhou Vice Mayor Sun Haishan disclosed here today that half of Fuzhou's state-owned industrial and communications enterprises have had injections of foreign capital.

It is learned that one of the four major forms of reforming the property rights system for state-owned enterprises in Fuzhou city is to graft foreign capital onto them. In 1993, a breakthrough was made in transferring enterprises. The Fuzhou Perfumery and the Fuzhou Printing and Dyeing Mill were completely transferred to foreign businessmen, and a large number of large and medium-sized enterprises, such as the Fuzhou Special Steels Plant, the No. 1 Plastics Plant, and the Fuzhou Silk Factory, formed joint ventures with foreign capital. In 1993, 28 enterprises signed 31 joint venture or cooperation projects with foreign businessmen, with a contractual investment volume of over \$82 million and the use of over \$25 million in foreign capital. The number of state-owned enterprises in Fuzhou City that have had foreign capital grafted onto them now accounts for 52 percent of the total.

After the grafting, most state-owned enterprises have changed their operational mechanisms and have notably improved their economic returns. According to a briefing from official quarters, a large state-owned light industrial enterprise in Fuzhou suffered losses as soon as it went into production. It lost a total of 170 million yuan in 10 years. After having foreign capital grafted onto it, it made a profit of over 1 million yuan in 1993.

Official quarters added: The transfer and grafting of state-owned enterprises have also brought many social problems, such as the placement and medical insurance of staff from former state-run factories.

Sun Haishan said: In the future, Fuzhou will go on promoting the grafting of state-owned enterprises to foreign capital to boost the reform of state-owned enterprises. What is slightly different from past practice is that the city will also select some state-owned enterprises which have good returns and a good market share to be grafted onto foreign capital. Moreover, standards for assessing foreign capital will also be raised. The focus of foreign capital to be introduced will be shifted to large companies in Europe, America, and Asia, and the grade of foreign capital utilized will also be raised.

Fuzhou's Export-Oriented Economy Develops Rapidly

OW1704012494 Beijing XINHUA in English 0054
GMT 17 Apr 94

[Text] Fuzhou, April 17 (XINHUA)—Fuzhou, capital of east China's Fujian Province, has experienced a rapid expansion in export-oriented economy over the past years.

According to local officials, in the past year the city approved the establishment of 1,134 foreign-funded projects, with contracts involving a promised foreign investment of 3.3 billion U.S. dollars. The two figures represent sharp increases compared with the corresponding figures of the previous year.

The officials said the total investment, as well as foreign investment of the approved projects last year both surpassed the related totals of the past 14 years.

The officials attributed the achievement to the fact that since last year the city has made active efforts in launching investment promotion activities at home and abroad, and has made painstaking efforts to improve its investment environment.

The emergence of foreign-funded enterprises in large numbers has greatly promoted the development of the export-oriented economy, said the officials.

Foreign-funded enterprises have developed into the main contributor of the city's economic growth. For instance, in 1993 foreign-funded firms in the city completed 10.8 billion yuan-worth of industrial output value, accounting for 48 percent of the city's industrial output value created by enterprises at or above township level.

These foreign-funded enterprises last year exported goods amounting to 730 million U.S. dollars, making up 80 percent of the provincial capital's total exports.

Many of the foreign-funded enterprises have settled down in the city's economic and technological development zones, making these zones into areas of great vitality for economic development.

As more and more overseas investors have begun to try their luck in Fuzhou, many of the city's existing foreign-funded enterprises have also started to enlarge their investment scales. Last year 128 foreign-funded firms in the city increased their investment, and the increase totalled 300 million U.S. dollars.

According to the officials, the city has 1,146 foreign-funded enterprises in operation.

Jiangxi Starts Second Red-Soil Transformation Project

OW1904045494 Beijing XINHUA in English 0411
GMT 19 Apr 94

[Text] Nanchang, April 19 (XINHUA)—East China's Jiangxi Province is starting its second World Bank-funded red soil transformation project.

The six-year project will cost a total of 538.84 million yuan, including 40 million U.S. dollars in World Bank loans.

The program aims to transform 15,394 hectares of red-soil land, with 12,300 hectares of land to be opened up for planting fruit trees and creating grassland.

On the rest of the land, about 230,000 lean-meat pigs and 1,000 dairy cows will be raised.

The program also includes reconstruction of a 100,000-ton fodder factory and a silk textile plant.

The program is strong on ecological development, with a focus on integration of farming, animal husbandry and fruit tree cultivation.

It will also rationally allocate resources to infrastructure construction and to setting up a social service network.

The program encourages farmers to go to the mountains to open up red soil land with contracted targets.

Shandong Governor Zhao Zhihao Discusses Economy

SK1904074494 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 18 Apr 94

[Text] The provincial people's government sponsored an enlarged plenum on the afternoon of 18 April to hear the report on the economic situation prevailing in the first quarter and to make work arrangements for the next period.

During the plenum, Governor Zhao Zhihao delivered a speech in which he contended: The general situation prevailing in the first quarter was good and main manifestations were that the measures for reform were issued in an associated way, these measures were enforced more smoothly, the economic operation was basically normal, a faster economic growth was maintained, some social contradictions were dissolved, social stability was maintained, and the work style of organs improved obviously. The province made a good start in various areas thanks to the positive efforts made by units at all levels and various departments and the province can still maintain a higher speed in economic development in the second quarter. However, the economic environment will tend to be strained.

Zhao Zhihao pointed out: In conducting work in the second quarter, we should give priority to grasping reform and stability to promote the healthy development

of the economy. By no means should we contend for speed, open enterprises, and new projects blindly. Efforts should be made to realistically orient the guiding ideology of economic work onto the track of readjusting structure, making technical progress, enhancing management, and increasing economic results.

In his speech Governor Zhao emphatically put forward demands in the following five aspects:

1. We should earnestly implement the spirit of the rural work conference sponsored by the central authorities; vigorously realize the stable increase in the output of grains, cotton, and oil-bearing seeds; enable the rural economy to achieve development in an overall way; and increase peasants' income on a large scale.

2. A good job should be done in directing enterprises, particularly large and medium-sized enterprises, and enterprises encountering difficulties to improve their production and operation and to conduct technical renovations. Efforts should be made to accelerate the merger, association, auction, rent, and reform in shareholding systems among the enterprises that are encountering particular difficulties. We should find a way out from conducting reform and enable them to get rid of their difficulties as soon as possible.

3. We should give priority to key projects and further deepen the reform in an overall way. Units at provincial, prefectural, and county levels should give priority to reform and push the reform forward in an overall way. State-owned, collectively-owned, and township enterprises should shift their business mechanism in an overall way. Problems cropping up in the reform in the financial and tax systems should be dealt with as quickly as possible. We should make great progress in establishing the systems of social security this year. In line with the practical situation, reform in the housing systems should be gradually carried out in stages and by group. We have no problems related to going too far and too fast in opening up, so should take faster steps and adopt more effective measures in this regard.

4. A good job should be done in enlivening the financial affairs and expanding the channels of raising funds to relieve the contradiction of fund shortage.

5. Various industries, trades, and departments should closely coordinate with one another to vigorously maintain social stability.

Shandong Vice Governor's Views on Surplus Workers

SK1804090194 Jinan DAZHONG RIBAO in Chinese 6 Apr 94 p 1

[Text] The two-day provincial on-the-spot experience-exchange meeting on deepening reform and employing surplus workers ended at the Laiwu General Iron and Steel Complex on the afternoon of 5 April. Li Chunting, deputy secretary of the provincial party committee and

vice governor of the provincial government; and Chen Jianguo, standing committee member of the provincial party committee and vice governor of the provincial government, were present at the meeting.

Li Chunting stressed in his speech: According to the requirements for deepening enterprise reform and changing managerial mechanism, on the premise of ensuring social stability, and according to different actual conditions, all localities should adopt various forms and open various channels to explore ways for arranging enterprises' surplus staff members and workers, gradually set up an enterprise employment system suitable to the socialist market economic system, strive to change the enterprise managerial mechanism, upgrade labor productivity, and comprehensively increase enterprises' economic results. This is also the province's general guiding ideology of arranging jobs for enterprises' surplus staff members and workers.

Li Chunting pointed out: Reform, development, and stability are the overall work situation this year. The economic work should be submitted to and serve this situation. We should persistently grasp reform and development with one hand and stability with the other. This year, the state worked out a series of major reform measures with enterprise reform as its nucleus. Appropriately employing surplus personnel is an important content of the enterprise reform as well as a difficult and hot-debated issue. Realistically solving the problems in this regard is the internal requirement for deepening reform as well as an essential requirement for accelerating the pace of development. A calculation shows that so far, about 30 percent of the enterprises' staff members and workers are surplus personnel. The problems in some enterprises where production is totally or partially suspended are more prominent. This situation, if not changed, will seriously restrict and obstruct the deepening of enterprise reform and the setup of the modern enterprise system. Simultaneously, appropriately arranging jobs for surplus staff members and workers is a need for maintaining social stability. Therefore, we should enhance the sense of urgency and the sense of responsibility and be determined to achieve the work in this regard.

Li Chunting said: This year, the enterprise managerial mechanism is being changed noticeably at a faster speed. The failure to solve the problems relating to surplus staff members and workers will affect reform and the trial implementation of the modern enterprise system. Therefore, the enterprises carrying out the modern enterprise system on a trial basis and carrying out the shareholding system should simultaneously expand the dynamics of reforming labor, employment, and distribution systems and regard the employment of surplus staff members and workers as an essential task. Simultaneously, according to the actual conditions of enterprises, we should study and explore effective ways and methods for arranging jobs for surplus staff members and workers. According to advanced and reasonable "dual standards," the enterprises with better economic results should boldly and

resolutely reduce the number of surplus staff members and workers, solve the problems that enterprises take on heavy burdens to develop social undertakings, divorce themselves from the organizations providing auxiliary service to enterprises, expand service functions, and enhance the capability of assimilating labor forces. The enterprises with general economic results should combine the arrangements of jobs for surplus workers with the enterprise structural readjustment and technological transformation, reasonably distribute labor resources, and vigorously develop the tertiary industry with less investment and faster economic results. The enterprises suffering long-term deficits are allowed to adopt such methods as providing labor services, exporting techniques, and encouraging staff members and workers to engage in individual management and self-employment to arrange jobs for the surplus staff members and workers.

Li Chunting stressed: The most realistic and basic way for arranging jobs for surplus staff members and workers is internal digestion. We should carry out the method dominated by the arrangements by enterprises and supplemented by social arrangements instead of the wait-and-rely-on method. In line with the reform of employment, labor, and distribution systems, we should rely on our own efforts to make development; develop new entities, tertiary industry, and a diversified economy; adopt various forms to encourage a portion of personnel to engage in self-employment; and try every possible means to distribute and arrange surplus personnel.

Shandong Vice Governor Meets With German Bank President

SK1704053194 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 15 Apr 94

[Text] Li Chunting, deputy secretary of the provincial party committee and vice governor, cordially met with (Qiguosiqishi), president of German Industrial Bank, and his entourage at Qilu Hotel at noon on 15 April and held friendly talks with them.

(Qiguosiqishi) and his entourage came to Shandong to sign an agreement on the framework of export credit with the provincial international trust and investment company, and held talks on the text of a contract on [words indistinct].

During the meeting, Li Chunting briefed the guests on Shandong's economic operational situation and expressed hope that in the future both sides would further strengthen cooperation in a broader sphere.

After the meeting, the provincial international trust and investment company signed an agreement on export credit with the German Industrial Bank.

Shandong Sets Up Digital Telecommunications Network

HK1904073894 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0821 GMT 2 Apr 94

[Text] Jinan, 2 Apr (ZHONGGUO TONGXUN SHE)—A digital telecommunications network for various modern telecommunications purposes has recently been installed and put into use in Shandong, indicating an improvement in its comprehensive postal and telecommunications capacity.

This telecommunications network is mainly composed of digital terminals, digital transmission circuits, and a computer system. It is a new telecommunications method which integrates computers and modernized telecommunications technology. The equipment was imported from Canada and meets international standards. The network can now communicate with more than 30 provincial capitals, cities, and some county-level cities throughout the country; digital communications are also available with 23 countries and regions in the world including the United States, Japan, and France.

Shandong Adopts Measures To Combat Gold Smuggling

SK1504111094 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 14 Apr 94

[Text] Industrial, commercial, tax, and public security departments in Zhaoyuan city have adopted powerful and effective measures to deal strict blows to gold smuggling and other illegal activities in coordination with other fields, yielding remarkable results. Since the beginning of this year, these departments have cracked 48 cases on illegal production and sales of gold and have confiscated 885 grams of gold, 1,500 grams of silver, 83 tonnes of gold ore, 67 tonnes of gold concentrate, and 395 gold ornaments molds.

Zhaoyuan city is well known throughout the country for abounding in gold. Over the past few years, along with the increasingly more gold mining activities, such unlawful activities as illegally producing, processing, and selling gold have become relatively serious. For this reason, industrial, commercial, tax, and public security departments in Zhaoyuan city have gone into concerted actions to deal severe blows to gold dealers. They have specially established a gold instruments inspection station and also set up six inspection posts in key gold townships and towns in order to investigate and deal with cases right after they are discovered. In addition, they have established a gold production rectification group in close coordination with other departments concerned and formulated the decision on protective gold mining. For the newly initiated enterprises, their quality has been put under strict control. Those false collectives and those enterprises which were unable to mine and dress gold ore in a connected sequence have all been banned. At the same time, specific regulations have been promulgated to punish illegal gold producers.

Those who violated these regulations have had their illegal materials and money confiscated and have been punished by imposing fines.

From January to March this year, some 300 enterprises and individuals have been punished for illegally extracting finished gold. Now, the city's gold mining has embarked on the path of regularization, legalization, and standardization.

Sex Imbalance Reported for Babies in Shandong

HK1904050294 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1022 GMT 2 Apr 94

[Text] Jinan, 2 Apr (ZHONGGUO TONGXUN SHE)—According to statistics from the department concerned, there was a serious imbalance between the two sexes of babies born in Zaozhuang City of Shandong Province. The ratio of boy babies to girl babies was 144.6 to 100; and the ratio in Tengzhou City, which is subordinate to Zaozhuang, was 163.8 to 100.

According to analysis, a major reason for the serious sex imbalance among babies was the use of the ultrasound B test. Many people use this technology to determine the sex of embryos so that they can keep boy babies and abort female embryos.

In view of this situation, the Zaozhuang City CPC Committee recently ordered that if Communist Party members receive or administer ultrasound tests, they will be expelled from the party. The same offense will cause state cadres and workers in state-owned institutions to be dismissed.

Huaihe River Improvement Projects Making Progress

OW1804064694 Beijing XINHUA in English 0639 GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—Water-control projects on the Huaihe River are making good progress, according to sources at the Ministry of Water Resources.

The river flows through Henan, Anhui, Shandong and Jiangsu Provinces in the eastern part of China.

With close co-operation between the four provinces, a large number of water-conservancy facilities have been built along the river.

They have widened and dredged over 1,000 km of river courses, consolidated over 2,000 km of embankments and removed 350 million cu m [cubic meters] of earth.

Five reservoirs have been repaired on the river.

According to the ministry, 18 major projects are planned to be completed by the year 2000; construction has already started on 13 of them.

The river system passes through 13.1 million ha [hectare] of land populated by 140 million people, amounting respectively to about one-eighth of China's total and land population.

Throughout history the area has suffered from severe floods and droughts.

Beijing-Jinan-Kunming Air Route Service Begins

SK1704061694 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 16 Apr 94

[Text] The Beijing-Jinan-Kunming air route officially began service on 16 April. The China (Xinghua) Air Lines will use Boeing 737 airplanes to fly this air route. There will be one scheduled flight every Wednesday and Saturday, and the airplane will leave and return on the same day.

The plane will leave Jinan at 1040 in the morning. The flying time between Jinan and Kunming is two hours and 20 minutes.

The China (Xinghua) Air Lines was formally established in August 1992 with the approval of the Civil Aviation General Administration of China and began operation June 1993. At present, it has four Boeing 737 passenger airplanes.

Shanghai Enterprises Enhance Quality Control

OW1904050394 Beijing XINHUA in English 0436 GMT 19 Apr 94

[Text] Shanghai, April 19 (XINHUA)—Shanghai is speeding up the installation of a total quality control system in state-owned large and medium-sized enterprises.

This is part of the efforts to beef up the competitiveness of the city's industries in the market.

Some 5,000 managers, chief accountants and chief engineers from 2,000 state enterprises are attending training seminars by the Shanghai Quality Control Association (SQCA), and waiting for their enterprises to be officially attested.

The national "gb/t1900-iso9000 quality control and quality criteria" system was issued in 1992, in line with the standard series of iso9000 system promulgated by the international standardization organization in 1977.

"The qc system and its attestation is fundamental for shanghai's industries to be able to compete in the world market in a coherent framework with the developed economies in regard to producing quality products," said Xu Zhiyi, director of the Shanghai economic committee, a renowned qc expert in China.

Thirty state-owned enterprises are expected to be approved this year, he said, adding that another 400 key enterprises with annual sales up to 500 million yuan (\$6.82 million U.S. dollars) are preparing to be attested.

Some foreign-funded companies—among them Shanghai Foxboro Ltd, Shanghai AT and T, and Shanghai Belling Micro-Electronics Co.—have already passed the official attestation. And more companies of this kind are undergoing such attestation procedures.

Hundreds of enterprises and managers in Shanghai have been sent to the United States, Britain, Japan, Singapore and other countries to receive training in management expertise and the latest developments of world trade.

Shanghai Foreign Exchange Trading Center Opens

OW1804142094 Beijing XINHUA in English 1255
GMT 18 Apr 94

[Text] Shanghai, April 18 (XINHUA)—China foreign exchange trading center started formal operation here in Shanghai today.

The center is equipped with modern telecommunications network, linked with electronic computers, and will provide services in foreign exchange trading and final estimates for Chinese enterprises, Sino-foreign joint ventures and solely foreign-funded firms across China.

At today's ceremony to mark the start of the center, Zhu Xiaohua, deputy president of the Central People's Bank and director of the State Foreign Exchange Administration, said the formal operation of the center is of great importance for equalizing in time foreign exchange among different financial organizations across the country, speeding up the turnover of funds among banks and enterprises, and the circulation of foreign exchange in the whole country.

He believed that the center will also serve as an effective tool for effecting in China a single and well-managed foreign exchange market, based on demand and supply and with floating exchange rates, and for eventually making the Chinese renminbi yuan convertible on the world market.

According to Zhu, the center has got 170 Chinese and foreign financial organizations as members.

He stressed that China will also establish a strong macro-control mechanism under the central bank, further develop and improve financial market mechanisms, and make the foreign exchange trading center better serve buyers and sellers of foreign exchange, while strengthening the management of the foreign exchange market, and adjusting demand and supply in proper time to control foreign exchange market prices.

Zhejiang To Host International Forum on 'Spark' Program

OW3003110694 Beijing XINHUA in English 1034
GMT 30 Mar 94

[Text] Hangzhou, March 30 (XINHUA)—An international forum on China's Spark program, which aims at

spreading modern science and technology in rural areas and improving the quality of Chinese peasants, will be held from April 4 to 8 in east Zhejiang Province where the program has been the most successful.

A spokesman for the Zhejiang provincial government said here today that the forum will be attended by agricultural officials and experts from 18 countries in Asia, Africa and South America as well as 120 representatives from 28 Chinese provinces.

The forum will be jointly sponsored by the United Nations Development Program, the Chinese State Science and Technology Commission and the Ministry of Foreign Trade and Economic Cooperation.

China launched the Spark program in 1986. To date, nearly 50,000 projects have been carried out, covering 85 percent of the rural counties. The projects have resulted in many new agricultural and industrial technologies in rural areas and contributed greatly to rural economic growth.

Zhejiang Province has been especially successful in implementing the Spark program.

From 1986 to 1993, the province launched 3,346 Spark program projects, yielding 22.4 billion yuan in output value.

Among the 3,346 rural enterprises which implemented Spark projects, more than 1,000 had their products exported, earning foreign currencies worth 1.5 billion U.S. dollars.

While 15 of these enterprises are producing an annual output value of more than 100 million yuan, most of the enterprises have improved their product quality, performances and efficiency.

Zhejiang has, through Spark projects, trained 650,000 farmer technicians.

Through the Spark projects, the province has also introduced new species of crops, animals, vegetables and fruit.

The Spark program is now developing toward high and new technology and export-oriented industries.

Zhejiang's Private Economy Thrives

OW1804132394 Hangzhou ZHEJIANG RIBAO in
Chinese 19 Mar 94 p 2

[By reporter Chen Zhihong 7115 1807 1347]

[Text] Zhejiang's private economy has developed rapidly. When it comes to paying taxes, Zhejiang's individual and private businesses ranked first in the nation by delivering 2.23 billion yuan in taxes to the state in 1993, up 39.5 percent from the previous year. Private economy has become Zhejiang's important economic growth sector. Not only Zhejiang saw a rapid increase in the number of individual and private businessmen last

year, it also witnessed the constant improvement of the quality of those who are involved in the private economic sector. In 1993, there were 1,238,000 registered individual businessmen employing 1,972,000 people, representing an increase of 10 percent and 13 percent, respectively, over the previous year and making 1993 the year of fastest growth in term of the number of individual businessmen and the number of people they employed since the beginning of the 1990's. The number of private enterprises rose to 19,400 and the number of people they employed to 255,000, marking an increase of 68 percent and 67 percent, respectively, over the previous year. And the trend in the composition of those engaged in the individual and private economy tended to become younger, more educated, and more professional. Many of the individual businessmen were former street vendors. They then turned to retail business, to running companies and factories, to large-scale production, and to production of upscale products. By the end of last year, individual businessmen's registered capital in the province stood at 8.67 billion yuan. There are 641 private enterprises with a registered capital over 1 million yuan, 566 of them registered last year. The number of enterprises with an annual output value of over 1 million yuan and over 10 million yuan was 877 and 77, respectively. The annual output value of an enterprise in Tiantai and another one in Linhai topped 100 million yuan.

Now the business scope of individual and private economy has expanded to all sectors that are permitted under the state policy. Transcending regions, trades, and ownership system, many individual and private enterprises are adopting diverse management, combined management, and intensive management through share acquisition, merger, contracting, and leasing.

At present, the province has five enterprise groups whose members are mainly from private enterprises. In 1993, 639 individual and private enterprises exported 500 million yuan worth of goods, up two-fold over the previous year. Private enterprises attracted \$110 million in foreign funds and formed 170 joint-venture enterprises with foreign businessmen. Nine private enterprises in the province also set up plants in other provinces.

Central-South Region

Guangdong Foreign Exchange Fraud Increases

HK1904022194 Beijing ZHONGGUO XINWEN SHE
in English 1344 GMT 18 Apr 94

[Text] Guangzhou, April 18 (CNS)—Swindling cases in foreign exchange swapping are now on the rise in Guangdong Province, arousing the concern of the local police. Statistics show that the provincial authorities have investigated 20 such cases involving over RMB [Renminbi] 100 million.

Swindlers included ethnic Chinese of foreign nationalities, Hong Kong businessmen, Mainland peasants and

some elements of unknown identity. Some offenders under the pretext of being foreign businessmen usually take advantage of weakness shown by some enterprises which rush to make use of foreign exchange or to get foreign exchange swapped at a lower price. They win the confidence of entity and thereby commit fraud.

Traders say that offenders often draw bad cheques which in one case in Shaoqian last August amounted to RMB 4.94 million. Another illegal practice was employed in a case involving RMB 10.75 million worth of money orders which were deliberately changed in an illegal way. Increasingly fraud cases committed in the process of swapping foreign exchange are attributed to several reasons. First, demand for foreign exchange has been great in recent years because of a sharp growth in the import of material, leading to a brisk foreign exchange swap market. Some profit-minded persons want to reap benefits from such a boom, resulting in swindling.

Second, awareness is weak in preventing business entities falling prey to such fraud, offering swindlers a good chance to capitalize on the carelessness shown by entities. A case of this kind involved the loss of RMB 15 million.

Third, the green light has been given to criminals by financial departments. Some banks act from self-interest and in violation of relevant regulations by easily giving out vast sums of cash without observing restrictions on the withdrawal of cash.

The Guangdong police hold that with further opening to the outside world, such swindling cases will increase and new tricks appear. The police have called for serious attention to be given by the various entities especially financial departments to prevent such crime and strengthen the awareness of prevention. Reporting to the police should be made immediately when fraud takes place.

Guangdong Authorities Hold Four After Riot

HK1704053094 Hong Kong SOUTH CHINA SUNDAY
MORNING POST in English 17 Apr 94 p 7

[By Quinton Chan]

[Text] At least four villagers are still being detained by the Guangdong Public Security Bureau (PSB) after a mass peasant protest ended in violence last weekend. Residents in Gangbei village said they had yet to be notified when the men would be released. They were arrested during the anti-corruption riot in which police fired more than 10 rounds of tear-gas. The men's families say the four are being held in the PSB office in Zengcheng, and that they have been seriously beaten and barred from seeing visitors.

The village, which is about 70 kilometres from Guangzhou, has returned to normal although undercover PSB officers are still stationed in the area and passing vehicles

are checked. However, residents say the peace is superficial. PSB officers have systematically summoned villagers for questioning. Most residents are staying indoors, not daring to go out. "I am very scared," a villager said.

Officials in Shitan county, where the village is located, are investigating the case. "The county government is checking the account by the village committee and the result will be announced later. If any official is involved in corruption, we will handle it according to the law," an official notice in the village states.

The riot among the 3,000-strong crowd broke out over inadequate compensation for farms taken for urban development. Residents also accused village representatives of corruption, of taking compensation assigned to the area but not passing it on. They claim it dates back to the economic reforms which started in the early 1980s. "There are more than 200 hectares of farmland in the village, but since the start of economic reform, more than two-thirds of it has been taken by the government for urban development. "The government sells it to foreign investors, mainly Taiwanese and Hong Kong businessmen, but we have yet to receive any compensation," said villager Shan Fu.

Villagers' incomes have been sharply cut because of the land takeover. "Even worse, we still have to pay the agriculture tax of 500 yuan [about HK\$444] every year," he said. The angry villager pointed to new Spanish-style houses: "The officials have taken our compensation and built these houses for themselves. It is very corrupt here."

The mounting discontent flared when villagers learned that only 800,000 yuan was left in the village's public account. "There should be millions of profit from the land sale. Where has the rest of the money gone?" angry villagers asked. The entire community gathered in the main street, waving banners bearing the words "anti-corruption".

Shortly afterwards dozens of PSB officers arrived and fired tear-gas to curb the protest. "It was just like a war, I was really scared. Tear-gas was everywhere," one eye witness said.

Shan Yuexin, whose son Sin Sanguang was arrested during the riots, said he was caught only because several Hong Kong reporters were in his restaurant when the protest broke out. "They pulled my son out of the restaurant and beat him up with a police stick, they were so cruel," he said. "They said my son had hidden Hong Kong reporters, but it was a fact the journalists were interviewing villagers in our restaurant."

There were three Hong Kong reporters in the establishment when the disturbance started, and it was reported the crowd prevented the police arresting the journalists. "I went to the PSB office but they didn't allow me to visit my son. I was told that he was beaten again," Mr Shan said. Another three young villagers, two of whom were

brothers, were also detained. The brothers' mother burst into tears when she spoke to the Sunday Morning Post "I don't like to talk anymore, I am very scared. I am afraid they [the PSB] will give my sons trouble again," she said.

Village representatives deny the allegations. "We have invested the money in some enterprises and villagers can get their money back after they make a profit," said one, but who refused to give his name. Meanwhile, the peasants have been scraping together the little spare cash they have to help win the release of the four still detained, even though their families have not been notified of the conditions for their release.

In a bid to appease the angry villagers, the authorities also announced that every villager would get 200 yuan compensation for their loss of farmland. But residents said the amount was far from enough and added they were considering taking their case to the Guangdong provincial government. "It isn't even enough for us to live for a month," one said.

Newspapers and Guangzhou Television have reported the case without mentioning the riots, saying there was only some discontent among villagers.

Locals set up an anti-corruption movement last year after complaining of official graft concerning land compensation. This latest outburst over land and corruption is the fourth this month in Guangdong. A farmer of Baigang village, in Huiyang county, was shot in the leg on April 1 after scores of angry villagers clashed with PSB officers over land compensation. Three days later 200 Xinhua villagers protested to Huiyang county officials over the amount of compensation being offered to farmers. They also accused village representatives of corruption. And residents of Xiaqinwei village, in Danshui city, also complained of corruption among their village representatives.

But this may not be the end of the story. A Guangdong People's Congress delegate, Wang Zhutian, said he was worried such outbursts would continue if no settlement was made. He said the disturbances were mainly due to the misunderstanding between peasants and the government over land resumptions. Mr Wang added some corruption might be involved and the government should attack any malpractice.

An official in Guangdong Land Department, who refused to be named, said all land in the mainland was state-owned, and peasants only had the right of use. "When we sell the land to foreign investors we have to spend a lot of money on basic facilities in the area like road links, water and electricity supply," he said. "That is the reason for the big difference between the sale price of the land and the compensation to villagers." He said the provincial government was highly concerned about the cases, and was discussing ways of finding a solution.

Guangdong Authorities Intercept Japan-Bound Stowaways*HK1904081794 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 19 Apr 94*

[Text] Recently, the Nanhai City Public Security Bureau succeeded in intercepting 99 stowaways attempting to enter Japan, all of whom came from Changle County, Fujian. From 13 to 15 April, they arrived and lived in the city's Guicheng Banyuedao Tourism Area in batches and were prepared to illegally emigrate together to Japan organized by snakeheads [people smugglers] from Guangzhou and Fujian.

After a tip off, and with the support of the Foshan City Public Security Bureau, Nanhai City Public Security Bureau dispatched a large number of police personnel to the area to patrol and investigate, and the 99 stowaways were all captured. The police personnel seized two machetes and five daggers at the spot.

Fujian police dispatched personnel yesterday to Nanhai City to pick up the 99 stowaways for further handling in Fujian. A search for the snakeheads is underway.

Shenzhen Restrictions on Satellite TV Reception*HK1904044394 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1043 GMT 18 Apr 94*

[Text] Shenzhen, 18 Apr (ZHONGGUO TONGXUN SHE)—The Radio and Television Bureau, the Public Security Bureau, and the State Security Bureau of Shenzhen City today held a news briefing on the management of satellite television program reception. As of today, Shenzhen City will rectify [zheng dun 2419 7319] ground reception equipment for television broadcasts, and no institution or individual is allowed to receive satellite television programs from outside the mainland without approval.

Responsible officials announced at the press briefing that, as of today, Shenzhen City had begun to strictly implement the "Regulations on the Management of Ground Reception Equipment for Satellite Television Broadcasts" and would rectify satellite television reception equipment. Units which are allowed to install such reception equipment must go through application and approval procedures with the radio and television department of the city government. Some units and individuals have ignored repeated orders and instructions from the state and have installed satellite television reception equipment without approval to receive programs broadcast from outside the mainland, and they did this under the pretext of the exceptions in the special economic zone. The officials demanded that units and individuals immediately stop producing, selling, importing, installing, and using satellite television reception facilities and warned that those units and individuals resisting and obstructing the authorities management according to the law will be seriously dealt with according to the relevant regulations

Shenzhen Machinery, Electronics Export Fair Opens*OW1804142894 Beijing XINHUA in English 1245 GMT 18 Apr 94*

[Text] Shenzhen, April 18 (XINHUA)—An export fair of machinery and electronic products opened here today, with 400 manufacturers from all over China attending.

Overseas firms can order machine tools, general-purpose machines, food packing machines, motor vehicles and parts, printing machines, aviation equipment, farm machinery, meters and instruments and electronics products on display during the fair, the largest of its kind in China.

Government statistics show that China's exports of machinery and electric products soared to 22.7 billion U.S. dollars in 1993 as against 1.68 billion dollars in 1986, rising at an annual rate of 21 percent.

These products accounted for nearly 25 percent of China's exports in 1993, up 19 percentage points from 1985.

Shantou Steps Up High-Tech Application*OW1904041894 Beijing XINHUA in English 0354 GMT 19 Apr 94*

[Text] Shantou, April 19 (XINHUA)—Shantou, one of China's special economic zones in southern China, is speeding up its application of new and high technology in co-operation with domestic and overseas investors.

Since its establishment one year ago, the Shantou new-and high-tech development zone has attracted investors from France, the United States, Singapore, Malaysia, Hong Kong and Taiwan.

So far, 51 enterprises with a total investment of 3.7 billion yuan (425.3 million U.S. dollars), half of which are in foreign funds, have settled in the zone.

Among the 66 development projects of these enterprises, 12 are included in the national "Torch Program" which is aimed at applying advanced scientific and technological findings to practical production.

The projects are mainly connected with the electronics, information, biological medicine, fine chemical, and new energy industries.

Guangxi Secretary, Chairman Views Corruption*HK1704082494 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 4 Apr 94*

[Excerpts] On 4 April in the regional people's government auditorium, the regional party committee and people's government jointly held a regional anti-corruption work conference to relay and implement the spirit of the third plenary session of the Central Discipline Inspection Committee and a recent anti-corruption

work conference convened by the State Council, and to study and arrange for this year's anti-corruption work.

The conference was attended by regional party and government leaders, including Zhao Fulin [regional party committee secretary], Cheng Kejie [regional people's government chairman], Liu Mingzu [regional people's congress standing committee chairman], Ding Tingmo, Chen Huiguang [regional Chinese People's Political Consultative Conference committee chairman], Pei Guikang, Li Enchao, Yuan Zhengzhong, Ma Qingsheng, Yang Jichang, Huang Baoyao, Zhang Dunhao, Lu Bin, and He Xianglin.

Liu Mingzu, regional party committee deputy secretary, presided over the conference at which regional party committee Secretary Zhao Fulin, Cheng Kejie, regional party committee deputy secretary and people's government chairman, and Yuan Zhengzhong, regional party committee standing committee member and people's government vice chairman, spoke.

Secretary Zhao Fulin stated in his speech: Since the CPC Central Committee and the State Council made important arrangements for the on-going anti-corruption struggle in 1993, party committees and governments across the region have made unreserved efforts to fulfill the three anti-corruption tasks laid down by the CPC Central Committee, employed practical and feasible measures, and carried out work in a down-to-earth manner. Thanks to concerted efforts on the part of the broad masses of cadres and people, the region's anti-corruption struggle has scored some initial results. Those areas and units that have energetically carried out the on-going anti-corruption struggle have already achieved gratifying results in the first-stage struggle, thereby dealing a telling blow to all types of negative and corrupt phenomena across the region and basically fulfilling the first-stage tasks set by the central authorities and regional party committee.

Speaking of this year's anti-corruption struggle, Secretary Zhao Fulin noted: In order to effectively carry on the anti-corruption struggle this year, we should make redoubled efforts to ensure that all leading cadres at the provincial department section or county level across the region will honestly perform official duties and strictly observe party and government discipline. To this end, all provincial department sections and counties across the region should call meetings before the end of May to carry out self-examination and self-rectification among cadres in a democratic manner. Discipline inspection, supervision, and judicial organs at all levels across the region should also concentrate on investigating and handling major and serious cases, make continued efforts to vigorously investigate and handle law- and discipline-violation cases involving party, government, judicial, administrative, law enforcement, and economic management departments and cadres; make continued efforts to crack corruption cases involving leading cadres, law-enforcement and discipline-enforcement

personnel, as well as legal persons, including embezzlement and bribery cases, cases in which cadres seek private gains by abusing power, and cases in which cadres seek unlawful privileges and gains by abusing law- and discipline-enforcement powers; conscientiously investigate and handle law-violation and discipline-violation cases concerning key projects construction, land lease, real estate development, and foreign economic and trade activities; make continued efforts to crack down on those malpractices that have caused strong resentment among the masses; and resolutely put an end to indiscriminate and unreasonable charges and fees.

Secretary Zhao Fulin also urged continued efforts to lighten burden on the part of peasants, disengage party and government organs from their own economic entities, resolutely ban party and government organs from doing business and running enterprises, and focus on the following seven aspects of work:

1. Continually conduct democratic activities within party and government organs at all levels.
2. Strengthen mass supervision and mobilize the masses to participate in the on-going anti-corruption struggle.
3. Continually increase transparency of party and government work, ensure mass supervision over party and government work, and carry out democratic appraisal of leaders.
4. Continually implement an organizational supervision system.
5. The discipline inspection and supervision organs at all levels across the region should step up supervision and examination and conscientiously implement a series of important policy decisions made by the CPC Central Committee and the State Council to this end.
6. The people's congresses and their standing committees at all levels across the region should strengthen supervision over law-enforcement organs.
7. Vigorously push ahead with party style and clean government building.

Chairman Cheng Kejie stated in his speech: The year 1994 is a crucial year for deepening reforms aimed at building a socialist market economic structure and speeding up economic development. Reform, development, and stability should promote and complement one another. Successfully combating corruption and building a clean government constitute an important guarantee of social stability. The leading cadres at all levels across the region should firmly adhere to such overall interests as grasping each and every excellent opportunity, deepening reform, expanding opening up, promoting development, maintaining stability, correctly handling relations between reform, development, and stability, never

slackening efforts in furthering the on-going anti-corruption struggle, making the on-going anti-corruption struggle more fruitful, and striving to bring about sustained, rapid, and healthy economic growth across the region.

Chairman Cheng Kejie called in his speech for conscientiously carrying out the following five types of work:

1. Properly handle problems cropping up in the course of reforms.
2. Monitor and supervise market prices and improve market order.
3. Guarantee sufficient vegetables and non-staple food supplies.
4. Make sound livelihood arrangements for the masses and help people in disaster-stricken areas overcome difficulties.
5. Vigorously step up comprehensive social order management and provide reform, opening up, and economic construction with a sound social environment. [passage omitted]

In his speech, Vice Governor Yuan Zhengzhong called on party and government organs and leaders at all levels across the region to conscientiously implement and carry out regulations promulgated by the CPC Central Committee and the State Council of banning party and government organs from running enterprises and urged party and government leaders to make every possible endeavor to have all party and government organs across the region disengaged from their own economic entities before the end of June of this year. [passage omitted]

Guangxi Speeds Up Market Development

OW1904045694 Beijing XINHUA in English 0442
GMT 19 Apr 94

[Text] Nanning, April 19 (XINHUA)—Southwest China's Guangxi Zhuang Autonomous Region has built various kinds of markets in the past few years, which have stimulated regional economic development.

As a commodity economy is taking the place of the planned economy, the construction of markets becomes inevitable and urgent.

By the end of 1993, the region had set up 2,593 consumer goods markets and 37 production material markets.

As to the financial reform, 50 bonds, stock, foreign currencies and insurance markets, and 198 securities organizations had been created by 1993.

Since trading in land and housing has become profitable, the real estate markets have grown fast.

Many labor and talents exchange and introduction markets, technology markets and information markets were also established in the region.

These markets have not only stimulated the economy but also brought convenience to local people.

Hunan Province Township Enterprises Flourish

OW1904041694 Beijing XINHUA in English 0402
GMT 19 Apr 94

[Text] Changsha, April 19 (XINHUA)—In south China's Hunan Province 207 towns each achieved an output value of more than 100 million yuan last year, 148 more than in 1992.

Encouraged by the central government's policy of speeding up the construction of township enterprises in poorer areas, these township enterprises are now introducing the shareholding system and an export-oriented economy to the province.

In Santang town, Shuangfeng county, 242 joint-stock enterprises were set up last year, yielding a total output value of 160 million yuan.

A village near Xiumei town exported 60 million tons of frozen meat last year, earning more than six million U.S. dollars.

These enterprises have also made great efforts for technological transformation.

Southwest Region

Government To Exploit Guizhou Coal Resources

OW1904045794 Beijing XINHUA in English 0434
GMT 19 Apr 94

[Text] Guiyang, 19 April (XINHUA)—China plans to carry out large-scale exploitation of the rich coal resources in southwest China's Guizhou Province in order to make it a stable energy supplier for the whole of south China and to relieve the pressure for transporting coal from north to south.

This is regarded as a major strategic readjustment of the country's energy supply distribution.

Coal still plays an important role in providing energy for China's heavy and chemical industries nationwide.

But almost three-quarters of the country's coal are produced by provinces and regions in northern China and the country has to ship large quantities of coal to the prosperous south and east China every year to meet its huge demand for energy.

This has seriously strained the country's transport capacity, while work in some factories in south and east China continues to be held up for lack of energy.

Large-scale exploitation of the rich coal resources in Guizhou seems to be the most realistic and effective way out, experts said.

Proven coal reserves in Guizhou, the well-known "sea of coal in southern China", hold the fifth position in the country, exceeding those of all the other provinces in southern China added together.

Improved transport facilities in Guizhou, especially the completion of several railway arteries linking the province with neighboring regions, has guaranteed smooth flow of coal.

Application of advanced technology in coal mining and comprehensive utilization of coal resources have promised even brighter prospects for this rising star.

For example, the anthracite with ash content lower than 10 percent, in which Guizhou is extremely rich, used to be regarded as inappropriate for industrial use in China.

But new technology has proved that it not only can be used to generate electricity but also is an ideal fuel for the chemical industry.

Guizhou's coal enjoys another advantage: It causes less pollution to the environment because of low sulphur content.

Exploitation of coal resources in Guizhou will not only greatly alleviate shortage of coal supplies in southern China, thus reducing pressures on transport, but also lay a firm foundation for the take-off of Guizhou's economy.

China listed Guizhou as one of the major coal production centers since the 1960s and has earmarked altogether 3.2 billion yuan to the construction of modern mines during the past three decades.

Expansion and renovation of some small or medium-sized mines started during recent years, aiming to improve the coal production capacity of the province to 60 million tons by the year 2,000.

But inspecting officials from the State Planning Commission and the Ministry of Coal Industry hold the opinion that its developing strategy is still too conservative and the province's great potential has far from been fully tapped.

At present, the Guizhou provincial government is actively drawing up a blueprint with central government departments and hopes that both domestic and overseas investors will join in the exploitation of its rich resources.

Tibet's Chen Kuiyuan Views Propaganda Work

OW1904061194 Lhasa Tibet People's Radio Network in Mandarin 1400 GMT 18 Apr 94

[From the "News" program]

[Text] At the Tibet Autonomous Regional Conference on Propaganda and Ideological Work that opened on 18 April, Chen Kuiyuan, secretary of the regional CPC committee, stressed: Tibet's propaganda and ideological front must take Comrade Deng Xiaoping's theory on

building socialism with Chinese characteristics as its guide, and conscientiously uphold the party's basic line of one central task and two basic points in order to promote socialist modernization in Tibet. Meanwhile, we must safeguard political stability in Tibet, safeguard the unification of the motherland, and fight splittist forces in and outside of national borders.

Leaders of the regional CPC Committee who attended the regional Conference on Propaganda and Ideological Work on 18 April were Guo Jinlong, Basang, Danzim, Yang Chuantang, Lieque, and Puqung.

Gyaincain Norbu, deputy secretary of the regional CPC Committee, presided over the conference. He said that the guiding ideology and main tasks of this session are as follows: With Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics as the guide, implement in an all-around manner guidelines of the national conference on propaganda and ideology; analyze the current situation on the propaganda and ideological front in Tibet; and, in line with the one fundamental principle and four tasks as well as the actual conditions in Tibet, study and work out the main tasks regarding propaganda and ideological work in 1994 and thereafter.

Gyaincain Norbu said: It is hoped that this meeting will enable party leadership at all levels and comrades on the propaganda and ideological front to have a better understanding of the overall situation, unify their thinking, pluck up their spirits, and do solid work to open up a new situation in propaganda and ideological work in Tibet. It is essential to heighten our awareness of the importance of giving equal emphasis to both spiritual civilization and material progress, and the importance of ideological and propaganda work in guaranteeing the success of our cause; and to do a better job in mobilizing and inspiring the vast number of party members and the masses to constantly advance reform, opening up, and the modernization drive.

Chen Kuiyuan, secretary of the regional CPC committee, delivered an important speech at the meeting on the region's propaganda and ideological work in the days to come. His speech focused on four points: 1. Gain a clear understanding of the situation and make persistent efforts in successfully executing propaganda and ideological work in Tibet with a clear head; 2. The basic tasks on the propaganda and ideological front; 3. Strengthen the ranks of propaganda and ideological cadres; and 4. Party and government leading organs must display greater interest in propaganda and ideological work, and show greater care and support for cadres of propaganda and ideological departments.

First of all, Comrade Chen Kuiyuan analyzed the situation in China and in Tibet. Under the guidance of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics, China's economy has been growing and its political situation has become more and more stable since the Third Plenary Session of the 11th

CPC Central Committee. As reform and opening up deepen, the political situation in Tibet, as elsewhere in China, has become increasingly stable and its economy is undergoing heartening changes. In economic terms, 1993 was the best year ever in Tibet. With the generous support of the central government and other provinces and municipalities, Tibet's economic prospects have never been brighter or broader. Tibet's economy will undergo more profound and dynamic changes by the turn of the century.

Speaking of the basic tasks on the propaganda and ideological front in Tibet, Comrade Chen Kuiyuan said: As an important front in administering state affairs and ensuring national security, and as the mouthpiece of the party and state, propaganda work must adhere to the party's theory, line, and policies; in doing propaganda and ideological work, we must adhere to principle and address specific issues. We should dare to address—not evade or get round to—the principal contradictions. Propaganda and ideological work must also be oriented toward the broad masses of people in and outside the party, be effective in arousing the people's consciousness, reflect the fundamental interests of the people, and guide the masses to advance along the correct path. Propaganda and ideological departments must provide correct guidance through the media and remove all sorts of erroneous guidance for public opinion so the broad masses of people will have a common understanding and work enthusiastically toward our common goal.

Comrade Chen Kuiyuan pointed out: In implementing socialist modernization in Tibet, it is essential that—in addition to the party and government who are leading the masses to concentrate on implementing the policy of reform and opening up and invigorating the economy—propaganda and ideological departments vigorously promote Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics so people inside and outside the party and throughout the region will be able to better arm themselves with his theory. Propaganda and ideological departments must also conscientiously publicize Comrade Deng Xiaoping's noted writings and statements on correctly handling issues related to nationalities. Only by acquiring a fuller understanding of the dissertations by Deng Xiaoping on this subject will we be able to correctly differentiate right from wrong on many issues concerning Tibet and to find the correct path to speed up development.

Chen Kuiyuan said: A major obstacle to socialist economic construction and the implementation of profound reforms in Tibet is leftist ideas and outmoded ways of thinking. By leftist ideas we mean sticking to an economic mode that is outdated, runs counter to the conditions in China, and stands in the way of the development of productive forces. After living and working for many years under this mode, we have got used to it and find it quite hard to free ourselves from its influence. Emancipation of the mind requires hard work over a long period of time. This is particularly true of Tibet, which is economically backward, has a closed market, and where

contacts and exchanges with the outside world are few and far between. Emancipation of the mind therefore requires even greater efforts in Tibet. Only by studying Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics will we be able to solve this problem, conscientiously adhere to the policy of reform, open wider to the outside world, and promote economic development.

Chen Kuiyuan said: One salient feature of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics is the idea of paying attention to fostering both material progress and cultural and ideological progress, and maintaining social and political stability. In other words, political stability, economic development, material progress, and cultural and ideological progress are all essential requirements for building socialism. Only by attaching equal importance to both and being careful not to emphasize one and neglect the other can we live up to the requirements of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and the party's basic line. Our primary task is to build a modern socialist Tibet. Propaganda and ideological work must serve this main theme today and for quite some time to come.

After having fully affirmed the achievements scored by the propaganda and ideological front in the whole region, Chen Kuiyuan stressed: The contingent of propaganda and ideological personnel must further improve themselves. The contingent of propaganda personnel must be one that has indisputable political qualifications, perfect mastery of ideology, and very high combat effectiveness. Only when this contingent of ours is very steadfast can we successfully accomplish the historical mission we have undertaken. The contingent of propaganda personnel must pay close attention to its problems, must be good at giving full play to its strong points and at overcoming its shortcomings, must continuously enhance its level so as to enable the army of our propaganda personnel to stand in the forefront of the times, and must be good at guiding the masses to triumphantly advance along the course charted by the party. If we want to make this contingent of ours truly become the mouthpiece of the party and state as well as an important front army for the party to maintain contact with and educate the masses, we must be good at using the theory on building socialism with Chinese characteristics to eliminate leftist influence over us and leftist patterns of thought. Meanwhile, we must be good at using patriotism to refute splittism, and must continuously strengthen the building of the contingent of propaganda and ideological personnel ideologically and organizationally to make the contingent more steadfast in ideology, purer in organization, and more combat effective. We must improve the level of propaganda to meet the needs of the new situation; we must justly and forcefully propagandize unity among nationalities, the need for all fraternal nationalities to stick together and to depend on each other for survival, and the goodwill of mutual support; and we absolutely must not allow the

speeches and activities aimed at sowing discord among nationalities, splitting the motherland, and disrupting its unification to spread unchecked. Disrupting unity among nationalities is equivalent to disrupting the unification of the motherland, and runs counter to the fundamental interests of the broad masses of the people in Tibet. We must resolutely crack down on the speeches and activities that disrupt unity among nationalities and the unification of the motherland; there is no room whatsoever for us to be vague on this matter.

Chen Kuiyuan called on party committees and governments in the whole region to show more concern for and give more support to the work of the propaganda and ideological front as well as the cadres, staff, and workers on the front, and to eliminate the phenomenon of taking a tough stand on one link while being softhearted on the other. He called on the principal leading cadres at all levels, in particular, to personally guide and constantly concern themselves with the propaganda work and to help propaganda departments solve difficulties actually confronted. He said: The propaganda work is a task that has a bearing on the overall situation. It constitutes an important, integral part of the party's strategic objective. Therefore, leading cadres at all levels must attach importance to and directly support the propaganda work. Only thus can we guarantee that we can do a better job in carrying out the propaganda work.

At the conference, Deputy Secretary Danzim of the Tibet Autonomous Regional Party Committee relayed the guidelines of the national work conference on propaganda and ideology. The conference held in the afternoon of 18 April relayed the speeches delivered by Jiang Zemin, Li Peng, Zhu Rongji, and Ding Guangen at the national work conference on propaganda and ideology. Among the leaders attending the regional work conference on propaganda and ideology were Puqung, Luosang Danzeng, and Zhou Wenbi. Secretaries and administrative commissioners in charge of propaganda work at prefectures and cities across the region; directors of the propaganda departments under prefectural and city party committees; chairmen of federations of literary and art circles at relevant prefectures and cities; secretaries of all county party committees in charge of propaganda and ideological work and directors of the propaganda departments under all county party committees; and persons in charge of the autonomous regional propaganda and ideological department, various regional-level bureaus, departments, commissions, and offices, and universities and colleges attended the conference.

Gyaincain Norbu Visits Lhasa Air Force Command Post

OW1904021894 Lhasa Tibet People's Radio Network in Mandarin 1400 GMT 17 Apr 94

[Report by station reporter (Xiao Yunhua); from the "News" program]

[Text] On the afternoon of 16 April, autonomous regional party and government leaders Gyaincain Norbu, Guo Jinlong, Yang Chuantang, and Yang Song arrived at the Lhasa Air Force command post. They called on Air Force officers and men in Tibet, and were accorded a warm welcome by the latter.

In a conference room, (Zhang Guanying), political commissar of the command post, briefed the autonomous regional leaders on the development of Air Force units in Tibet, their relations with local governments and the people, and their support for local construction. (Zhang Guanying) said:

[Begin (Zhang) recording] Respected chairman Gyaincain, respected secretary Guo, respected vice chairmen Yang, and respected secretary general Li, leaders and comrades, on the eve of the 1 May Labor Day, leading comrades of the autonomous regional party committee and government have managed to find the time to come and inspect the work of Air Force units in Tibet, and to visit us. This fully shows the deep concern of the autonomous regional party committee and government and the people of all nationalities in Tibet for Air Force units. It fully shows the close friendship between the army and people, and between the Tibetan Nationality and the Han Nationality. It also fully shows the two inseparable things pointed out by General Secretary Jiang during his inspection tour of Tibet [sentence as heard]. The leaders' visit here today is very inspiring and enlightening for us; we are very pleased. On this occasion, please allow me to speak on behalf of the party committee, headquarters, and more than 3,000 officers and men of the Air Force units in Tibet, to extend our warm welcome to the autonomous regional party and government leaders and to express our heartfelt thanks to them and the people of all nationalities in Tibet for their profound concern. [end recording]

Gyaincain Norbu, deputy secretary of the autonomous regional party committee and chairman of the autonomous region, said after hearing political commissar (Zhang Guanying's) briefing:

[Begin Gyaincain recording] Political Commissar Zhang, leaders of the Air Force command post, [word indistinct] and comrades, on the eve of the 1 May International Labor Day, deputy secretary Guo Jinlong of the autonomous regional party committee; vice chairman Yang Chuantang; secretary-general of the autonomous regional party committee (Li Liguao); vice chairman Yang Song, and myself are making this special trip to call on the officers and men of the air force command post. At the same time, we are here to thank you on behalf of the autonomous region's party committee, government, and more than 2 million people. As Political Commissar Zhang has just mentioned, I think that in the three decades and more since the establishment of the Lhasa air force command post, the officers and men have indeed fully adhered to Comrade Xiaoping's thought on army building in the new period, and to

General Secretary Jiang's 20-character instruction—the PLA must be qualified politically and competent militarily, and it must have a fine workstyle, maintain strict discipline, and be assured of adequate logistical support. During these three decades and more, the air force command post has also been among the few top PLA units here which have excelled in the joint army-people campaign to build spiritual civilization, in army building, in logistical self-sufficiency of non-staple food and [word indistinct], and in implementation of the party's policies concerning nationalities and religions. The party and government are always (satisfied). [end recording]

Then, Chairman Gyaincain Norbu, accompanied by leaders of the Lhasa air force command post, visited the (Ganbala) radar station, called on the officers and men there, and inquired about their work, study, and everyday life.

Gyaincain zealously wrote an inscription for the radar station: Work hard, make selfless dedication, and keep the (Ganbala) spirit eternal.

More on Visit

OW1804222394 Beijing Central People's Radio Network in Mandarin 2230 GMT 17 Apr 94

[From the "News and Press Review" program]

[Text] Gyaincain Norbu, chairman of the Tibet Autonomous Regional People's Government, and others, visited officers and men of the Air Force's radar station at (Ganbala) on 16 April and heard briefings given by station instructor (Cao Hong.) They were very excited when they learned that officers and men at the station have been working hard with unselfish dedication in a restricted forest area 5,374 meters above sea level for the past 29 years, have safely guided over 220,000 flights by various types of aircraft, and thus have been awarded the "(Ganbala) Model Radar Company" by the Air Force Party Committee. Gyaincain Norbu said: The spirit of (Ganbala) means the spirit of sacrifice and dedication. It is not only that the forces should carry forward the (Ganbala) spirit, but also Tibet itself. We should vigorously publicize this spirit and develop Tibet well. Later, Comrade Gyaincain Norbu and others visited the honors room and watched training demonstrations by the officers and men. They also inspected the dorms, kitchens, and vegetable gardens one after another.

Tibet Adopts Procedures for Implementing Education Law

OW1904082594 Beijing XINHUA Domestic Service in Chinese 2113 GMT 18 Mar 94

[Report by Wu Hao (0124 4110)]

[Text] Lhasa, 18 Mar (XINHUA)—The Tibetan Autonomous Regional People's Congress Standing Committee recently adopted "Procedures for Implementing the Law

of People's Republic of China on Compulsory Education." With this, Tibet has embarked on the road of administering education according to law.

Tibet has made great strides in elementary education since its peaceful liberation. The school-age children's enrollment or attendance rate at the end of 1993 was 63.2 percent as against 2 percent before liberation; the illiteracy rate among young and middle-aged people dropped from 95 to 44 percent. Tibet has 3,111 primary schools with a combined enrollment of 213,777 and 71 regular secondary schools with an enrollment of 25,365. As primary education develops, an educational contingent composed mainly of Tibetan teachers has come into being and is growing continually. The number of teachers and other employees in Tibet's primary and secondary schools has risen to 12,869. Some cities and towns have, for the most part, attained the goal of universalizing primary education.

Tibet, which was backward to start with and was late in starting to develop education, still lags behinds other provinces and regions. To speed up educational development in Tibet, the recently adopted "procedures for implementing the law on compulsory education" sets forth the task of implementing nine-year compulsory education in stages in a well-planned manner. The "procedures" set the requirements, steps, and measures for implementing compulsory education in Tibet and provide guidelines regarding school age, school systems, funding, teachers' qualifications, administration, evaluation, and administrative and legal liabilities, thus making it possible for Tibet's educational undertakings to develop under legal protection.

Following the adoption of "procedures for implementing the law on compulsory education" by the regional people's congress, the regional people's government and educational administrative departments have also stepped up efforts in formulating rules and regulations for exercising macroadministration of education. A number of supplementary rules and regulations, including suggestions for implementing compulsory education in Tibet, regulations on decentralized administration in regard to primary education, regulations on the system of objective-based management for school years, and standards for schools of all categories at all levels will soon be promulgated for implementation.

Tibet Achieves Results in Anticorruption Campaign

OW1704005594 Lhasa XIZANG RIBAO in Chinese 10 Mar 94 p 2

[“Regional Procuratorial Organs Make New Progress in Fighting Corruption in the New Year”]

[Text] Tibet's procuratorial organs have made new progress in safeguarding political and social stability as well as in protecting and removing obstacles to reform, opening up to the outside world, and economic construction in the new year.

Last year, Tibet's procuratorial organs earnestly implemented the central authorities' guidelines on fighting corruption and concentrated on handling economic crimes such as embezzlement and bribery. The chief procurator personally organized and directed his personnel. He also participated in handling major and important cases. Anticorruption departments introduced a system of responsibility for the handling of cases and adopted flexible means for investigating economic crimes. To find clues for use in cases, procuratorial organs held press conferences, established boxes or telephones for people to offer information about crimes, and adopted various means to publicize laws. The procuratorial organs focused on handling criminal cases involving the working personnel of party and government organs, judicial organs, law-enforcement administrative departments, and economic administrative departments. According to statistics, in 1993 the region's procuratorial organs received 408 clues on economic crimes such as embezzlement and bribery and handled 77 cases involving 83 people. Of these cases, 40 were major cases involving 42 people. Seven major criminal cases involved nine county and departmental-level cadres. The handling of these cases helped recover 4 million yuan for the state. In the process, a number of offenders guilty of embezzlement and bribery were punished. This has heightened the prestige of the procuratorial organs in the minds of the people of all nationalities in Tibet.

The year 1994 is crucial for Tibet's reform, which has entered the period of package advancement and breakthroughs in key areas. To better serve reform, opening up to the outside world, and economic construction, the people's procuratorial organs, as always, will further concentrate on cracking down on economic crimes. A leader of the regional people's procuratorate said: This year, the region's procuratorial organs will continue to give priority to punishing people guilty of embezzlement and bribery, and will earnestly implement the principle of "handling cases strictly in accordance with law." Strictly enforcing laws is a precondition for cracking down on economic crimes. We must rectify the phenomenon characterized by failure to abide by the law and lax law enforcement, must deal accurate and relentless blows at criminals, and must ensure that procuratorial organs seriously carry out their functions.

At the same time, the leader stated: Efforts should be made in making new breakthroughs in handling major cases. All cases involving leading cadres at and above county and departmental-levels must be investigated and handled. Anyone who is involved in a crime must be thoroughly investigated.

He concluded: We must strengthen leadership over investigation and handling of major and important cases. The chief procurators must personally organize and direct his personnel, and personally participate in handling cases. We should learn from good experience in handling economic crimes, and supervise and provide

better guidance to procuratorial organs at all levels. In 1994 we will achieve new victories in fighting corruption.

Opening Drive Revitalizes Karamay Oilfield in Xinjiang

OW1904041794 Beijing XINHUA in English 0357
GMT 19 Apr 94

[Text] Urumqi, 19 April (XINHUA)—The Karamay oilfield in northwest China's Xinjiang Uygur Autonomous Region has increased its crude oil production at an annual rate of 300,000 tons (2.1 million barrels) since China opened to the outside world in 1979.

An oilfield official said that Karamay, in the northwestern part of the Jungar basin, pumped 7.6 million tons of oil in 1993 and it has been rated as China's fourth-largest oil producer for four successive years.

Reform and opening up have made it possible for the oilfield to put an end to its stagnant production in the 1970s, he said.

Since 1979 Karamay has imported oil drilling and pumping equipment, computers, instruments, meters and ethylene-production technology from Belgium, Britain, France, Germany, Italy, Japan and the United States, the official said.

Since 1980 it has co-operated with the General Geophysical Company of France, which has sent three seismic teams to make geophysical surveys in the Jungar basin.

Under a contract, technicians from a U.S. company have provided technical services to the oilfield, the official said.

To date, Karamay has used 800 million U.S. dollars in foreign funds to import technology and equipment, he said. These funds include loans from the World Bank and a Japanese bank.

Yunnan Records Drop in Number of Drug Addicts

HK1804120394 Beijing ZHONGGUO XINWEN SHE
in Chinese 0832 GMT 1 Apr 94

[By correspondent Jin Yan (7246 1484)]

[Text] Beijing, 1 Apr (ZHONGGUO XINWEN SHE)—Yunnan Province has achieved remarkable results in banning drug abuse and rehabilitating drug addicts. The total number of drug addicts in Yunnan dropped from 57,000 in 1990 to 40,000 last year.

Data provided by departments of the Ministry of Public Security show that Yunnan Province, which is near drug sources across the border, is one of the areas where drug abuse is most serious in China. In recent years, while carrying out well-planned investigation and sternly cracking down on drug criminals, Yunnan Province has done solid work to strengthen the banning of drug abuse and the rehabilitation of drug addicts. Growth in the

number of new drug addicts has been curbed, and has dropped from 10,000 new drug addicts each year before 1990, to about 2,000 each year in the past three years. The percentage of new drug addicts among the total number of drug addicts has also dropped from about one-sixth in the past, to about one-twentieth at present.

Through experiments in banning drug abuse and rehabilitating drug addicts over the past 10 years, Yunnan Province has gradually formed an effective system for rehabilitating drug addicts which tallies with local conditions. Since 1990, Yunnan has helped over 20,000 drug addicts to rehabilitate themselves each year and has summed up and spread successful experience in preventing them from becoming drug addicts again. The rate of success in rehabilitating drug addicts is about 10 percent.

Over the past two years, governments at various levels in Yunnan Province have allocated more than 16 million yuan for building 28 permanent centers for rehabilitating drug addicts by compulsory means. The "Rules for Running Centers for Rehabilitating Drug Addicts by Compulsory Means in Yunnan Province" have also come into force.

North Region

Administration Committee To Improve Beijing Airport

OW1504165094 Beijing XINHUA in English 1604 GMT 15 Apr 94

[Text] Beijing, April 15 (XINHUA)—With the approval of the State Council, the Administration Committee of the Capital International Airport was set up here today.

The ceremony to mark the inauguration of the committee and to launch a campaign of building the capital international airport into a first-class airport was addressed by Zhang Kezhi, deputy secretary-general of the State Council.

He said that the establishment of the new committee is aimed at allowing the units of the civil aviation and the units of inspection and examination stationed at the airport to work in a better coordinated way and solving problems sooner, thus ensuring that the airport operates in a safer and more efficient way.

The committee is responsible for supervising all the units stationed at the airport to execute their rules and disciplines.

The committee consists of representatives of the units of Civil Aviation Administration, customs, public security, quarantine, commodities inspection, and offices in charge of airports for the Beijing Municipal Government.

Also speaking at the ceremony were Li Zhao, director of the newly-established committee, and Chen Guangyi,

director of the Civil Aviation Administration of China. They pledged to make further efforts to improve the conditions of the airport and the services to build the capital international airport into a first-class airport as soon as possible.

Serious Pollution Reported in Beijing Rivers

HK1804041994 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1132 GMT 16 Apr 94

[Text] Beijing, 16 Apr (ZHONGGUO TONGXUN SHE)—In recent years river channels inside and outside Beijing have suffered from human-made destruction and serious pollution. Therefore, some experts have time and again warned relevant departments and citizens that because there is a serious shortage of water resources and pollution is getting worse, many river channels on the outskirts of Beijing have silted up.

The River and Lake Management Section of the Beijing Municipal Water Resources Bureau revealed that former Beijing Mayor Chen Xitong personally inspected the Erdao channel in Jintailu last year. This channel was called a "present-day dragon beard ditch" (meaning the channel was full of residue). He immediately instructed the relevant department to improve the situation. In a week the dregs were cleared but the channel silted up again the following week. It was learned that the river water passing through this channel was for the Beijing No. 1 Thermal Power Station to generate electricity. The silt in the channel caused by pollution threatened the normal operation of the power station. Once, the relevant department dredged up some tree branches, foam plastics, bicycles, three-wheeled carts, dead pigs, and dead dogs from a silted-up section of the channel.

Pollution similar to this is not rare in Beijing. Some experts said that apart from industrial pollution, the most threatening is human-made pollution. Most of the 175-km long river channels on the Beijing outskirts are clean in the upper portions, green in the middle, and black in the lower reaches. Protecting water resources, which are seriously in short supply, has become an urgent task for Beijing.

'Electronics Town' To Rise in Northeast Beijing

OW1804122694 Beijing XINHUA in English 0755 GMT 18 Apr 94

[Text] Beijing, April 18 (XINHUA)—An "electronics town" will rise in the northeastern part of Beijing, where most of the city's electronics industries are now located, in five years, official sources here said today.

The town will aim at upgrading old industries and old enterprises, the sources said.

In the locality, there are now 17 large and medium-sized state-owned enterprises, two large joint electronics ventures and several scientific institutes, employing a total 44,000 people.

A survey of ten major electronics enterprises in the locality shows that they lost 313,000 yuan in 1992, while in 1988 they made profits totalling 29.84 million yuan.

According to a plan approved in March this year, enterprises in the locality will be transformed into joint ventures, shareholding companies and conglomerates, to help improve their management and market performance.

Besides electronics development and manufacture, the town will also house trading, banking, real estate, information and other industries.

According to the sources, the city government will extend special policies to support the new town. For example, the part of taxes from enterprises within the town that goes to the city coffers will be refunded to them as encouragement for technical upgrading.

By the year 2000, the authorities expect, the town will reach 10 billion yuan in industrial sales and five billion yuan in trade and services a year.

Double Tracks Paved on Inner Mongolian Railway

SK1604003094 Hohhot NEIMENGGU RIBAO in Chinese 5 Apr 94 p 1

[Text] The Baotou-Lanzhou double-track rail laying project, a key project of the Ministry of Railways in the Eighth Five-Year Plan period, started construction a few days ago.

The Baotou-Lanzhou railway line is a key railway line linking northeast China with north China. The Baotou-Lanzhou single-track railway lines cannot meet the spiralling transportation needs resulting from the development of the national economy, and it is extremely urgent that the railway lines are expanded and rebuilt into double-track ones. According to the preliminary designs, the construction on the Baotou-Shiguai section begins first and will be built in stages. The first-phase project will be completed by the end of the Eighth Five-Year Plan period. Upon the completion of the first-phase project, the transportation capacity can increase to six pairs of passenger trains and its annual goods transportation volume will reach 28 million tonnes. Upon the completion of the entire double-track railway line project, the passenger train transportation capacity will add to eight pairs and the annual goods transportation volume will surpass 40 million tonnes. The trains on these lines are drawn by internal-combustion engines so the driving equipment is automatically blocked.

Inner Mongolia Secretary at Meeting of Cadres

SK1804043994 Hohhot NEIMENGGU RIBAO in Chinese 3 Apr 94 p 1

[By reporter Zhang Zhaocheng (1728 0340 2052): "Inner Mongolia Holds Meeting of Cadres of Regional-Level Organs at or Above Department and Bureau Levels"]

[Excerpts] On the afternoon of 1 April, the region held a meeting of cadres of regional-level organs at or above the department and bureau levels to relay the guidelines of the "two national sessions," the central rural work conference, and the national family planning work forum; and also set forth, according to the region's realities, specific opinions on implementing the guidelines.

Wang Qun, secretary of the regional party committee, chaired and addressed the meeting. Wu Liji, chairman of the regional government, made a report on relaying these guidelines. Present at the meeting were Wang Zhan, Wuyunqimuge, leaders of several regional-level leading bodies, and the veteran comrades who have been working in the region for a long period of time.

Comrade Wang Qun pointed out in his speech: Comrade Wu Liji's report on relaying the guidelines of the "two national sessions," the central rural work conference, and the national family planning work forum, as well as his opinions on the next-step work made according to the region's realities, are of extreme importance, are major issues relating to the overall situation, and are related to not only the current situation characterized by stability and unity, but also the region's long-term development; and embody the central 20-character policy of "grasping favorable opportunities, deepening reform, expanding the scale of opening up, promoting development, and maintaining stability."

Comrade Wang Qun said: The state has paid full attention to Inner Mongolia's development. We have reported to the central authorities on the economic development strategies of Inner Mongolia and our region's plan and projects. The state completely agreed to it. This embodies the central authorities' concern over and assistance to Inner Mongolia and the border areas inhabited by minority nationalities in northwest China. We may see that the state has shifted the focus of the economic development strategy on the western areas. Inner Mongolia has very good prospects for development. The reserve strength for our development is heartening.

Comrade Wang Qun emphatically pointed out after analyzing and introducing the current international situation: The central policy on reform, development, and stability stands for the strong aspirations and basic interests of the people of various nationalities. All of our work should be submitted to and serve this policy. We should unwaveringly achieve the work in various aspects but never do things that are not conducive to the overall situation. Our region has this tradition and this kind of foundation and conditions. The current situation is very good. However, there are still many problems. The main factors affecting unity and stability are problems concerning prices of goods; wages; small, poor, and money-losing enterprises; enterprises whose production is completely or partially suspended; corruption; and social order. These are the problems that the broad masses of the cadres and the masses are concerned with. The party committees, governments, and leading cadres at various levels should pay high attention to and conscientiously

solve these problems so as to make the people satisfied. We must understand that the problems we come across are ones cropping up in the course of advancement and development. For instance, we should try every possible means to solve the problems concerning wages. However, we should clearly understand the problems relating to our understanding. Some localities are unable to issue, according to schedule, sufficient amounts of wages. This is not caused by our economic situation but by various factors such as excessively increasing expenses and providing for an excessively large number of people. These problems are ones essentially cropping up in the course of reform and development. Through collective study, the regional party committee maintained that the wages can be issued if efforts are made to carry out the wage reform. We are confident of this. We are also going to extensively solicit opinions on this issue. I hope that all of you, including veteran comrades and democratic party comrades, will make opinions. By so doing will we be able to seek unity of thinking and work with one heart and soul to make development. In his speech, Comrade Wang Qun set forth his new ideas, methods, and specific opinions on enterprises' deficits, goods prices, opposition to corruption, and overall improvement of social order. He stressed that we should use new ideas and methods to solve the problems cropping up in the course of development and use the methods of expanding the dynamics of reform and opening up to solve these problems instead of adopting a wait-and-see attitude or blaming everyone and everything but ourselves.

He finally stressed the necessity to strengthen the leadership of the party, to seek unity of thinking, to be inspired with enthusiasm, to work with one heart and soul, to overcome difficulties, to ensure the smooth fulfillment of all tasks, and to ensure to make new achievements in reform, development, and stability. [passage omitted]

Present at the meeting were principal responsible comrades of all departments and units directly under the regional-level organs; the principal leading cadres of leagues, cities, departments, and bureaus who were participating in the theoretical study and discussion classes at the regional party school; and the students participating in the classes for the advanced studies of the cadres at league, city, department, and bureau levels.

Tianjin National Spring Commodities Fair Opens

OW1804161694 Beijing XINHUA in English 1429
GMT 18 Apr 94

[Text] Tianjin, April 18 (XINHUA)—The '94 Tianjin National Spring Commodities Fair opened here today.

The fair, sponsored by China's Internal Trade Ministry and the Tianjin Municipal Government, has attracted nearly ten thousand enterprises from 30 provinces and autonomous regions as well as from the United States, Japan, Brazil and Hong Kong.

They are showing more than 30,000 varieties of commodities worth of over 10 billion yuan, including daily necessities, food and native produce.

Addressing the opening ceremony, Zhang Lichang, mayor of Tianjin, said that his city, being an important trading and commercial center in Northern China, will open further to both domestic and overseas investors.

He Jihai, vice-minister of internal trade, said at the ceremony that the fair was an attempt by the ministry to reform the commodity circulation system.

The national commodities fair will be held twice a year, one in spring in Tianjin and the other in autumn in Shanghai.

The '94 Tianjin fair is expected to top six billion yuan in business transactions.

Northwest Region

Gansu Secretary Addresses Ningxia, Lanzhou Delegates

HK1904084194 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 4 Apr 94

[Text] Provincial party committee Secretary Yan Haiwang yesterday joined the Lanzhou City delegation and the Ningxia Hui Autonomous Prefecture delegation in discussing pressing issues concerning the broad masses of people as well as ways and means of properly handling relations between reform, development, and stability.

After listening to speeches made by Guo Xianzhang, Tang Shenjun, and other Lanzhou delegates, Secretary Yan Haiwang said: Lanzhou is at once the only hinterland city of Gansu that is open to the outside world and is the capital of Gansu Province. Lanzhou's development has undoubtedly had an important bearing on the province's overall development. Thus, Lanzhou should make every possible endeavor to tap latent potential, develop local superiority, deepen reforms, further economic exploitation, and step up infrastructure construction, especially infrastructure facilities concerning the livelihood of the broad masses of the people, guarantee sufficient vegetables and grain supply on the market, and properly tackle other pressing issues as well.

After listening to speeches made by the Ningxia Hui Autonomous Prefecture delegates, Secretary Yan Haiwang stated: Ningxia Hui Autonomous Prefecture should strive to develop local commercial and circulation superiority, press ahead with economic growth in every way, and successfully build projects to assist poverty-stricken areas. Economic development and nationality solidarity are two crucial issues concerning the development of the Ningxia Hui Autonomous Prefecture, which should make redoubled efforts to enhance nationality solidarity, develop educational undertakings, and push ahead with economic growth.

Finally, Secretary Yan Haiwang emphatically called on the whole province to unite as one, work hard, brace up, make down-to-earth efforts, and push Gansu's economic growth to a new stage.

Power Plant Construction Resumes in Ningxia

OW1804161594 Beijing XINHUA in English 1436
GMT 18 Apr 94

[Text] Yinchuan, April 18 (XINHUA)—The second-phase construction of the Daba power plant in the Ningxia Hui Autonomous region started today.

As one of the key projects for the eighth five-year plan period in China, the construction of the power plant will cost more than 1.5 billion yuan.

The power plant will have two sets of generators each with a capacity of 300,000 kw.

The project will be completed in 36 months.

Now the plant's generating capacity is 600,000 kilowatts.

When the second phase construction is completed, the plant will have a total of 1.2-million kw in generating capacity, the largest of its kind in Ningxia.

Highway Construction Boosts Economy in Qinghai

OW1904041994 Beijing XINHUA in English 0350
GMT 19 Apr 94

[Text] Xining, April 19 (XINHUA)—Large-scale highway construction has benefitted economic development in China's land-locked Qinghai Province.

Located on the Qinghai-Tibet plateau in northwest China, Qinghai has 85 percent of its land at over 3,000 m above the sea level. In the past the local economy was greatly retarded by its backward transportation facilities.

With the help of the state, the province has worked out a development strategy based on the construction of more highways.

In recent years it has built and improved several trunk highway lines, including those from Xining to Zhangye, Qinghai to Xinjiang, Liuyuan to Golmud, Qinghai to Tibet and Wutongling to Henan county.

More than one billion yuan has been invested in highway construction to add over 2,000 km of road in the province since 1985.

Between 1991 and 1993 the province built or improved over 1,000 km of highways, and 21 big and medium-sized bridges.

Now, some 97 percent of the townships in Qinghai have access to highway transportation.

The total length of highways in the province is now 16,732 km.

The highways help the province in commodity exchange, by carrying local products such as potash fertilizer, salt, asbestos, oil, ferrosilicon, meat, wool and leather to the outside, and bring in grain, vegetable, fruit and machinery.

Cable TV Stations Hook Up Networks in Xinjiang

OW1804134794 Urumqi Xinjiang Television Network
in Mandarin 1330 GMT 23 Mar 94

[From the "Xinjiang News" program]

[Text] A contract-signing ceremony marking the network hookup of the Xinjiang Production and Construction Corps' Cable Television Station and the Xinjiang Cable Station was held at the Xinjiang Television Station yesterday.

In accordance with the guiding spirit of the 12th order issued by the Ministry of Radio, Film, and Television that each region should have only one cable television network so as to avoid unnecessary investment, the two stations decided to cooperate in a new venture to promote cable television undertaking in Urumqi area.

The Xinjiang Cable Station was built in early 1993. It uses American technology and equipment which has a MMDS [preceding abbreviation in English; expansion unknown] multichannel microwave transmission system, with 22 channels. After one year of operation, the station now broadcasts its programs in Uygur, Chinese, and Kazak languages. It has more than 50,000 subscribers.

The Xinjiang Production and Construction Corps' Cable Television Station was built in 1992. It uses a high-quality 450-M cable transmission system, with 47 channels.

The hookup provides Urumqi area with an air-and-underground transmission system, which helps improve both the content and quality of the programs.

Sha Ming, vice chairman of the autonomous regional committee of the Chinese People's Political Consultative Conference and director of the Department of Radio and Television under the autonomous regional government, spoke at the meeting. He said: Cable television stations are a component part of television undertaking, whose equipment is expensive to purchase and maintain. It is a new and effective way for the two stations to hookup their networks to avoid network overlapping and reduce cost. He expressed his hope that the two stations will work hard together to improve the cable television network in Urumqi area.

KMT Constitutional Changes Proposal Ready*OW1504132994 Taipei CNA in English 1304 GMT
15 Apr 94*

[By Bear Le]

[Text] Taipei, April 15 (CNA)—A task force of the ruling Kuomintang (KMT) Friday [15 April] completed a draft proposal on amendments to the Constitution, [word indistinct] the lay for several key changes in Taiwan's future political operations.

As expected, the task force has recommended that presidential elections be carried out by popular vote rather than by the vote of the National Assembly, as has been done in the past. It also recommended that the immunity from prosecution that legislators enjoy in speaking during legislative sessions be cut back.

The draft proposals were reached after 52 rounds of discussions among ranking party officials and legal scholars.

The KMT will formally introduce the changes at the coming session of the National Assembly after they are approved by the party's policy-making Central Standing Committee at a special meeting Monday.

Other key changes the ruling party will propose include electing a speaker and vice speaker at the National Assembly, extending the tenure of legislators from three years to four, adjusting the premier's right to co-sign laws promulgated and mandates issued by the president, and changing the official name of the "Shanpuo" people to "aborigines."

Opposition Party To Operate Satellite TV Station*OW1904082794 Taipei Voice of Free China in English
0200 GMT 29 Mar 94*

[From the "News" program]

[Text] A satellite television station operated by leaders of the opposition Democratic Progressive Party (DPP) will begin broadcasting on 1 July. DPP national assembly member Hsu Pei-lung, general manager of the National Satellite Station, said programs to be broadcast through VHS channels for the fourth TV channel are yet to be released by the government this summer. The station was founded by DPP legislator Chang Chun-hung. Hsu said during the first stage the National Satellite Station will broadcast three to six hours per day. These programs will alternate in one of three languages, Mandarin, the Taiwanese dialect, or English. Hsu said the station will provide a clear alternative to the three other local TV stations with a different variety of programs. He did not elaborate.

The news came before the Government Information Office accepted the application for start of the fourth TV station in Taiwan.

U.S. Electronics Group Wins Satellite Contract*OW1904083194 Taipei CNA in English 0731 GMT
19 Apr 94*

[By Debbie Kuo]

[Text] Taipei, April 19 (CNA)—The U.S.-based TRW Space and Electronics Group Monday [18 April] was awarded a contract to build the ROCSAT-1, Taiwan's first satellite for scientific research and communications scheduled to be launched at the end of 1997.

The contract was signed by Hu Ching-Piao, vice chairman of the National Science Council (NSC) and Bruce Gending, vice president of the civil and international systems division of TRW Space and Electronics Group.

The ROCSAT-1, carrying a price tag of NT\$ [New Taiwan dollars] 1.6 billion (U.S.\$59.26 million), is the first of a series of planned procurements for the development of Taiwan's space system capabilities, Hu said.

The NSC and TRW also agreed that the contract will become void if TRW fails to acquire an export license from the U.S. Government within 60 days, Hu said.

As technology acquisition is a predominant factor in international procurements, Hu said, a technology assistance agreement (TAA) is integral to the ROCSAT-1 contract. TAA's are necessary for the export of high technologies from the U.S.

Officials of the Redondo Beach, California-based TRW said they are confident they will receive the TAA in three to five weeks.

Once the TAA is secured, the NSC's national space program office will send 24 engineers to TRW to participate in the design, development, manufacture and testing of the satellite, a space program official said.

The NSC began the ROCSAT-1 procurement project in December 1993. Four foreign companies, including France's Matra Marconi—a group comprising French and Israeli aircraft industries—Germany's Dornier, France's Alcatel, and TRW submitted bid proposals.

Under a NT\$13.6 billion (U.S.\$509 million) space program, Taiwan plans to have three satellites in orbit by 2006.

TRW, a leading space/defense contractor to the U.S. Government, has developed and launched 175 spacecraft and more than 500 scientific payload instruments in the past 35 years, according to TRW officials.

Taipei Lags Behind ROK in Steel Production

OW1604085394 Taipei CNA in English 0745 GMT
16 Apr 94

[By Y.C. Tsai]

[Text] Taipei, April 16 (CNA)—Taiwan's crude steel production lagged behind South Korea's in 1993, the Council for Economic Planning and Development (CEPD) reported Saturday [16 April].

However, Taiwan's steel consumption topped that of South Korea, CEPD officials noted.

The officials said South Korea was the world's sixth largest crude steel producer in 1993, with an output of more than 33 million tons. Taiwan ranked 15th with 12 million tons, they said.

Both countries completed the establishment of state-run steel mills in the mid-1970s, they pointed out.

In terms of per capita crude steel consumption, Taiwan consumed an average of 916 kilograms in 1993, compared to South Korea's 643 kilograms, they said.

Moreover, they pointed out, South Korea exported 50 percent of its crude steel output, while the ratio in Taiwan was below 10 percent.

They attributed Taiwan's strong demand for crude steel to the ongoing six-year national development plan.

Most People Displeased With Mainland Boat Incident

OW1804130694 Taipei China Broadcasting
Corporation News Network in Mandarin 2300 GMT
17 Apr 94

[From the "Hookup" program]

[Text] The impact of the mainland's Chientao [Qiandao] Lake incident on cross-strait ties has continued to grow. According to a survey, more than 80 percent of Taiwan's people are dissatisfied with the Chinese Communists' ways of handling the case. However, nearly 40 percent of Taiwan's people believe that Taiwan Government and the Strait Exchange Foundation [SEF] have failed in their performances. Most people advocate boycotts against the Chinese Communists. Because of this incident, people have considerably changed their attitude toward the "Taiwan independence" issue that has been sensitive all along. Please listen to a (Kang Yu-feng) report:

[Begin (Kang) recording] The mainland's Chientao Lake boat tragedy has posed major variables on the development of cross-strait ties.

The Gallup Poll Company conducted a survey of Taiwan's people who graded performances of the Chinese Communists, Taiwan Government, and the SEF in handling the case. The highest and lowest marks were 100

and zero, respectively, and 60 is the passing mark. The results showed that 83.9 percent of the people failed the Chinese Communists, including 56.6 percent giving them a zero mark; that 38.6 percent and 34.7 percent of the people failed Taiwan Government and the SEF respectively; and that 74.2 percent believed the Chinese Communists are hostile toward Taiwan. Consequently, to express our dissatisfaction toward the Chinese Communists, quite a high proportion of the people have advocated boycotts, including a total stop to sightseeing, visiting relatives, investing, and trading on the mainland, and cutting off contacts and talks between the SEF and the Association for Relations Across the Taiwan Strait [ARATS].

Taiwan University Political Science Department Professor Li Ya-ling specially urged the Chinese Communists to be alert to such reactions of Taiwan's people.

[Li] I personally believe the mainland's Chientao Lake incident was mishandled by the mainland bureaucrats. It was not in accordance with the government policy. Our survey will be a very good warning to the mainland. The handling of the cross-strait ties does not merely depend on high-level policies. Their bureaucrats' personalities can have very grave impact.

[(Kang)] According to the current survey, because of this incident, 27 percent, an unprecedentedly high proportion, of people—in comparison to past years—have favored the Taiwan independence issue that has been sensitive all along.

The National Chengchi University Political Science Department Professor Li Kuo-chung said if the Chinese Communists cannot properly handle the Chientao Lake incident, the cross-strait ties will gradually drift farther apart.

[Li Kuo-chung] Any single incident may [words indistinct] or influence cross-strait ties or even have an impact on Taiwan's people on their identifying with Taiwan's destiny; namely, Taiwan's independence. It is very probable that because of a single incident, such as the Chientao Lake incident, the proportion of Taiwan's people identifying with Taiwan's independence will rise remarkably. If the Chinese Communists cannot properly handle this incident, I believe the cross-strait ties may gradually drift farther apart.

[(Kang)] According to the survey, most Taiwan people thought that in the near future, the current conditions of cross-strait ties will remain unchanged. However, everyone is very unsure about the long-term future of the cross-strait ties. This is a point that really warrants our attention.

This is (Kang Yu-feng) reporting from Taipei. [end recording]

Delegation To Conduct Survey of Spratly Island Environment

*OW1704104594 Taipei Voice of Free China in English
0200 GMT 17 Apr 94*

[From the "News" program]

[Text] The 37-member Republic of China [ROC] delegation left for the disputed Spratly Islands in the South China Sea on Friday [15 April] to survey the

ecology and environment there. The Council of Agriculture said in a statement scientists and officials boarded an ROC vessel that left the southern port of Kaohsiung for Taiping, an islet in the Spratlys for five-day scientific expedition. The government has said it may build an airport, a port, and a lighthouse on Taiping where ROC marines maintain a base. The Spratlys are also claimed wholly or in part by Brunei, Mainland China, Malaysia, the Philippines, and Vietnam. Taipei said it will never renounce its claim of sovereignty, but it is willing to cooperate with other countries on economic development.

Hong Kong

'Senior' UK National Appointed Hong Kong Adviser to Beijing

OW1804083494 Beijing XINHUA in English 0811
GMT 18 Apr 94

[by Correspondent Li Zhigao]

[Text] Hong Kong, April 18 (XINHUA)—Mrs. Elsie Tu, senior British national and now newly-appointed Hong Kong adviser to China, said her first priority concern is the peaceful transition of Hong Kong in 1997.

"I really believe most Hong Kong people, probably 90 percent at least, want 1997 to go through peacefully," said the 81-year-old woman, who has served in the Urban Council for 31 years and is concurrently member of the Legislative Council.

In a recent interview with XINHUA, Elsie Tu said, "Hong Kong people work very hard to build up the economy. If we have political disturbance, political instability, it will certainly and eventually affect the economy."

"In case it (political disturbance) affected economy, people would move business out of Hong Kong and people lose jobs. That's what the people are worried about," she added.

She said that she received both written and oral congratulations from local residents after she was appointed Hong Kong affairs adviser to the Chinese side earlier this month.

"Because the talks between China and Britain broke down, I think it's necessary for us to make some kind of bridges with China to have cooperation so as to understand each other's viewpoints," she said.

"If the government can't do it, let's the people do it. Then it's the people's idea not the government's idea," she said, adding "that's better than the views of Mr. Patten."

"One or two of the press said to me 'whether or not you compromise your position and make you support China'. I said, 'Have you ever seen me compromise?'"

"It's not intended to be a honor (to be appointed as the adviser). It's responsibility," she said, adding "since the two governments cannot agree, it's up to us, the citizens, to try to find some ways of helping make the transition smooth," she said.

Mrs. Elsie Tu has lived in Hong Kong for 43 years since she came to Hong Kong in 1951. She has served as the supervisor and teacher of a local school, Mu Kuang English school, which she and her Chinese husband set up in 1954. "I understand the grassroots better than I understand the business," she said.

Her familiarity with fellow residents has been strengthened since she became a member of the Urban Council in 1963. For 31 years, she has spent most of her time, at least twice a week, interviewing people, usually middle-and-low-pay workers.

"The only rest I get is Sunday evening when I go with my husband for dinner and that's my holiday," she smiled.

"Probably, apart from very well off people who don't need any help, I had probably some contacts with most families in Hong Kong," she said.

"That is the foundation that people trust me because I don't talk politics to them, I only talk about how to improve social conditions," she said.

Mrs. Tu is expected to go to Beijing to receive the adviser appointment next month. "As an adviser, I would like to explain China's attitude towards Hong Kong and Hong Kong's feelings to China," she said.

Governor Urges PRC To Address Concerns on Xi Yang Case

HK1904083594 Hong Kong EASTERN EXPRESS in
English 19 Apr 94 p 4

[By Rain Ren]

[Text] The Governor, Chris Patten, yesterday urged China to move rapidly to dispel public anxiety caused by the 12-year prison sentence imposed on reporter Xi Yang for "stealing state secrets". "I hope that Chinese officials understand why there is so much worry, not just about the way the case has been handled but about the sentence, for example, which has been handed down, which seems to most people in Hong Kong and beyond, I think, as wholly disproportionate to what we learn of the charges against the journalist in question," Patten said.

The British ambassador to Beijing, Sir Robin McLaren, arrived in Hong Kong yesterday for discussions with Patten about the jailed journalist, a Ming Pao reporter. Sir Robin said the British embassy would ask for more explicit information about Xi's case through diplomatic channels.

The Governor seemed pessimistic about how much help he could offer because Xi was a Chinese citizen. "There is one point, which you know, which distinguishes Xi Yang's case from that of one or two other journalists in the past," he said. "Xi Yang is a local (Hong Kong) resident and works for a Hong Kong newspaper but is a Chinese citizen, so there is a limit to what we are able to do under the normal international rules and regulations in pursuing his case."

"There are limits to what the British government can do."

"So, I very much hope the Chinese authorities will spell out very clearly what the rules and regulations which

journalists, not least the journalists of Hong Kong newspapers, have to follow when they are covering events in China.

"These have been a very worrying few days and I hope, I hope from the bottom of my heart, that Chinese officials will move rapidly to remove people's anxieties because those anxieties are very, very real and very, very profound."

The chairman of the Foreign Correspondents' Club of Hong Kong (FCC), Philip Bowring, yesterday expressed concern over Xi's case. He said the "secrets" for which Xi was jailed were "entirely unexceptional, being the normal stuff of discussion in market economies." "Even were Xi technically in breach of some ill-defined law, the sentence is excessive by any criteria."

"It is a reminder of politically motivated punishments handed out during previous periods such as the Cultural Revolution," he said. "The harsh sentence appears intended as a warning to the Hong Kong press not to report news or events in China other than that which has been approved or announced in official media."

"This has, we believe, already influenced reporting in Hong Kong on China and we fear self-censorship will spread to coverage of Hong Kong itself."

He said Xi's sentence would deter mainland Chinese from talking to foreign or Hong Kong reporters "even on mundane investment and economic matters which have no political significance". "This makes foreign correspondents doubly concerned for the safety of Chinese with whom they are in contact," he said. "Such penalties are designed not merely to choke off dissident news sources, but discourage ordinary Chinese, be they officials, factory managers or academics, from answering questions for information and basic data."

The FCC predicted a negative impact on local companies who analysed mainland companies listed in Hong Kong stock exchanges. "If journalists cannot report basic, timely information without fear of arbitrary use of draconian state secrecy laws, it is hard to imagine how, for example, managers and accountants can produce accurate reports and accounts for listed Chinese companies," Bowring said.

The Association for Democracy and People's Livelihood (ADPL) has collected more than 20,000 signatures from the Hong Kong public on a petition protesting against Xi's sentence. The response from Beijing advisers on Hong Kong affairs has not been enthusiastic. Since the launch of the signature campaign last Wednesday [13 April], only two advisers, Vincent Cheng and Lee Kai-ming, have signed the petition. The Democratic Alliance for Betterment of Hong Kong (DAB), which has 10 members who are also advisers for Beijing, said it would not participate in any other local activities protesting against Xi's treatment.

Demonstrators Seek Release of Journalist Xi Yang

HK1804120894 Hong Kong SOUTH CHINA MORNING POST in English 18 Apr 94 p 1, 2

[By Louis Won]

[Text] About 1,200 demonstrators took to the streets yesterday to call for the immediate release of jailed Hong Kong journalist Xi Yang and protest against China tampering with the freedom of the press.

The protesters gathered at Chater Garden where they sang in support of press freedom in Hong Kong and chanted slogans backing Xi, whose appeal to the 12-year jail term was rejected on Friday.

In Beijing, Xi's father, Xi Linsheng expressed distress at the court's decision and asked that his son be placed in a jail close to the Chinese capital.

Speaking at his Beijing home, Mr Xi broke down in tears when he was asked about the future of his family.

He said he never had wild hopes about the appeal. "But I still feel distressed . . . It is a heavy blow (to me)," he said.

"I try to calm down and not make my heart problem worse."

"I'll give my best efforts to help him (Xi Yang) to regain his freedom," Mr Xi said.

Yesterday's rally was organised by the "Operation for Saving Ming Pao Reporter, Xi Yang", a group representing more than 120 organisations.

The marchers included legislators, journalists, pro-democracy activists, social workers and students.

They walked to the Xinhua (New China News Agency) office at Happy Valley, escorted by 185 police.

Chinese officials watched from the building as the crowd arrived at about 5 pm.

The police initially allowed the petitioners to sit only on the pavement outside the Queen Elizabeth Stadium and did not allow the protesters' truck, fitted with loudspeakers, to stop in the east-bound lane of Queen's Road East, opposite the Xinhua building.

After a short negotiation, the police sealed off two of the three east-bound lanes.

United Democrat legislator Szeto Wah said if a country did not have press freedom and an independent judiciary, everyone would be "walking towards a dark hell".

He also criticised the Chinese Government for saying no one should interfere with another nation's sovereignty and demanded the release of Xi.

He said sovereignty did not belong to a government which turned a deaf ear to the people.

Mr Szeto said "today's Xi Yang was tomorrow's Hong Kong people".

"We have to fight to the end for the release of Xi Yang, for freedom of press and for an independent judiciary in China," he said.

Daisy Li Yuet-wah, chairman of the Hong Kong Journalists' Association, said Xi had become a scapegoat for the Chinese Government to give a warning to the already-fragile press freedom in Hong Kong.

Noting that journalists were prepared to face more pressure as 1997 approached, Ms Li said: "But we never expected that we would need to contend with the Chinese Government for the next 12 years because of one Hong Kong reporter."

Dissident Lau Shan-ching, who was jailed in China for 10 years for "counter-revolutionary activities", recalled his experience of being secretly arrested and tried in China.

He said he was questioned every night and the interrogators always tried to lead or force him to admit crimes he had never committed.

Mr Lau said he was given a so-called "open trial" but his parents were not allowed to attend.

"It was like a theatre where the Government arranges some people to come to the court room just to show that it was an open trial," he said.

Yesterday's rally ended at about 6 pm.

A candlelight vigil will be held on Saturday outside the Cultural Centre in Tsim Sha Tsui.

Meanwhile, pro-China legislator Tam Yiu-chung yesterday responded with reservation to a proposal by United Democrat Yeung Sum that the Legislative Council should debate the Xi case.

Mr Tam said the incident was a matter for China's judiciary and there was a limit to what local legislators could do.

Mr Tam said: "If we are to have a motion related to the press freedom of Hong Kong in the future, fine. But there will be not much to debate on the Xi Yang case."

A delegate to the National People's Congress, Lee Lin-sang, said the Xi Yang case was closed and there was no need for the congress Standing Committee to set up a special committee to look into the issue.

Mr Lee reiterated that the case was an individual one with nothing to do with press freedom in Hong Kong.

PRC-Funded Paper Reports Demonstration Supporting Xi Yang

HK1904101894 Hong Kong WEN WEI PO in Chinese 18 Apr 94 p A10

[Report: "Street Demonstration Clamors for Release of Xi Yang"]

[Text] The United Democrats of Hong Kong and the Hong Kong Federation of Students organized a demonstration called the "Joint Action To Rescue Xi Yang" yesterday afternoon, calling for the release of Xi Yang. Around 1,000 people marched from Central to the XINHUA Hong Kong branch and gathered there. Three east-bound lanes of Queen's Road East in front of the XINHUA NEWS AGENCY had to be blocked for the gathering, which seriously affected traffic.

Further on Demonstrators Demanding Xi Yang's Release

HK1904101694 Hong Kong MING PAO in Chinese 18 Apr 94 p A2

[["Special dispatch": "Two Thousand Residents Take to the Streets Demanding That China Release Xi Yang"]]

[Text] A "Joint Action To Rescue Xi Yang" organized by 123 groups staged a demonstration yesterday. About 2,000 residents started from Chater Garden and marched to the Hong Kong Branch of the XINHUA NEWS AGENCY to lodge a protest and urge the Chinese authorities to release MING PAO reporter Xi Yang. This was the largest protest since the sentencing of Xi Yang.

The demonstrators first held a brief gathering in Chater Garden and set off at 1530. About 2,000 demonstrators, holding a dozen or so streamers and a large number of placards, chanted slogans like "Release Xi Yang," "Release Tian Ye," "Defend Press Freedom," and "Oppose Black Box Operations" along the way. With representatives of organizations and legislative councillors holding a large black steamer at the front of the procession, they set off from Chater Garden and marched to the Hong Kong Branch of the XINHUA NEWS AGENCY in Happy Valley through Queensway, Hennessy Road, and Percival Street.

The demonstrators included MING PAO staff members and workers, people from other press agencies, three-tier councillors, mass organization members, and residents. Along the way they chanted slogans and sang songs, including "We Shall Overcome" and "Unity," while at the same time distributing leaflets and asking onlookers to join. While they were marching, a large number of pedestrians stopped to watch and people in residential buildings stuck their heads out to look. Some pedestrians joined the demonstration to express their support.

The police made special traffic arrangements along the way so that the demonstrators could pass through.

The demonstrators sat down on the opposite side of the XINHUA NEWS AGENCY on Queen's Road East, where they held a gathering, during which four speakers spoke. Subsequently, a member of the joint action read out a statement.

In the statement, the "Joint Action To Rescue Xi Yang" demanded that the Chinese authorities immediately rescind all the charges against Xi Yang and Tian Ye and release them; it should announce all the details of the case and affix the responsibility for this; it should revise the relevant law and practice freedom of the press.

In her speech at the gathering, Li Yuet-wah, chairman of the Hong Kong Journalists' Association, said: As the 1997 power transfer is approaching, Hong Kong reporters will face heavier pressure and this is something to be expected, but unexpectedly, these reporters will have to carry out 12 years of combat for Xi Yang's sake.

She continued: The Xi Yang case has sounded the alarm for the prospects of Hong Kong's press freedom, but as long as Hong Kong residents and reporters work with one heart and one mind, there will still be hope for Hong Kong's press freedom.

MING PAO employees' representative Lam Man-chong said: The Xi Yang case is not an unfortunate matter for Xi Yang alone, nor is it only a concern of MING PAO employees, it is an important matter of how to maintain Hong Kong people's free lifestyle.

Legislative Councillor Szeto Wah and Lau Shan-ching, a pro-democracy activist who had been jailed for 10 years by China, also said at the gathering that China's secret trial of Xi Yang violated Chinese law, was unfair to Xi Yang, and affected Hong Kong's press freedom.

After the reading of the statement, more than a dozen mass representatives marched to gate of the XINHUA NEWS AGENCY amid slogans and songs, and stuck the statement and a streamer on the gate. The gathering ended at 1800 and the 2,000 demonstrators peacefully dispersed.

Yeung Ying-wai, assistant police commander of the Wanchai District, indicated that the police had sent about 180 policemen to the scene to help open a route for the demonstrators, adding that the demonstration proceeded in good order.

The "Joint Action To Rescue Xi Yang" will hold a candle-lit night party in the Clock Tower square in Tsim Sha Tsui this coming Saturday for Xi Yang's release.

Two Largest Pro-Democracy Parties Announce Merger

HK1904063194 Hong Kong EASTERN EXPRESS in English 19 Apr 94 p 2

[By political editor Chip Tsao and Wing Kay Po]

[Text] Two of Hong Kong's main political parties, the United Democrats and Meeting Point, will merge into a new party named the Democratic Party in October. The move was announced by the leader of the United Democrats, Martin Lee, and the chairman of Meeting Point, Anthony Cheung. The new party will take up 17 directly-elected seats out of 18 in the Legislative Council and will become the party with the most seats.

In a move that unites the democratic forces of Hong Kong and appears to be a setback to China's united front tactic, Lee appealed to other democrats to join the new party. Lee hailed the merger as a historic milestone in Hong Kong's democratic development and warned China that the new party would be "too big" for China to "handle". "This is the time for Hong Kong people who want a bright future for Hong Kong to stand together," he said. "The new party will not be intimidated by threats from Beijing, (and) will take a stand on principles, including human rights, the rule of law and democracy."

Cheung said he would still convey the anxiety and concern of the Hong Kong people to China as a Hong Kong affairs adviser after the new party was launched. "I did not tell Beijing (about the impending merger) when they invited me to become a Hong Kong affairs adviser," Cheung said. "If the Chinese government hopes these Hong Kong affairs advisers appointed will channel Hong Kong people's opinions, then I do not see any reasons why my status as a Hong Kong affairs adviser will be affected by this move and why the Chinese government should dislike the new party."

Lee said that the intensity of the pressure coming from China was the reason why the two parties had decided to merge. "Those who often read newspapers will be left in no doubt that our pressure has been increasing and our room has been decreasing," Lee said. "Just listen to what the Chinese have been saying in recent years and look at things like the Xi Yang case."

Both leaders said that they had common ground on several issues and that they would bury the minor differences between the two sides to work for an open and democratic government for Hong Kong with a high degree of autonomy. They said they would work closely together in the elections.

Since the two parties will not formally merge until October, they will still field separate candidates to contest the district board elections to be held in September. Lee said he hoped that the new Democratic Party would win at least 14 seats in the 1995 Legislative Council election. Details of the merger will be discussed at a general meeting on May 15.

Federick Fung Kin-kee, chairman of the Association for Democracy and People's Livelihood, said his party would certainly consider joining the new Democratic Party as an option.

Selina Chow, of the Liberals, said she was not surprised by the move and this would not affect the Liberal Party's political course. "In the past they have been voting together and they have been politically very close.

"It is a natural development," Chow said. James Tien, another Liberal member, was less optimistic and said his party would have to reconsider its strategy in this year's district board elections.

"It is obvious now that the two parties will be fielding only one candidate in each district.

"This will give us a difficult time," Tien said.

Tsang Yok-shing, chairman of the pro-Chinese Democratic Alliance for the Betterment of Hong Kong (DAB), said the new party "would not help to dilute the anti-communist image of the United Democrats".

PRC Officials, Pro-Democracy Politicians Comment on Merger

HK1904064594 Hong Kong SOUTH CHINA
MORNING POST in English 19 Apr 94 pp 1, 6

[By Chris Yeung, So Lai-Fun, and Fung Wai-Kong]

[Text] China made it clear last night that the merger of the United Democrats of Hong Kong and Meeting Point would not change its belief that core members of the United Democrats were subversive. Only hours after the two key liberal factions announced they would form the Democratic Party in October, mainland officials said that if the move was aimed at "mending the fence between China and core United Democrats members", the attempt was futile. The alliance, however, puts China in an awkward predicament because it has consistently frozen out the United Democrats while wooing other liberal factions to the cause of planning post-1997 Hong Kong.

Meeting Point chairman Anthony Cheung Bing-leung, who was enlisted by Beijing in the latest batch of Hong Kong affairs advisers, stood staunchly behind the merger yesterday, clasping hands with Martin Lee Chuming and Szeto Wah, the two United Democrats most distrusted by China.

Announcing the formation of the party, a move which apparently took Chinese officials by surprise, Mr Lee said the need for a strong and united liberal coalition was becoming more pressing as 1997 approached. "This is a time when we must not be intimidated by threats from Beijing. We must take a stand on principle, take a stand on human rights, the rule of law and the development of democracy," Mr Lee said. "We represent a very wide section of the community and if China tries to isolate us, China's really trying to isolate the people of Hong Kong," he said, noting that the new party would comprise at least 17 legislators.

In its manifesto, read out by Mr Cheung, the new party declares that it supports Hong Kong's return to Chinese

sovereignty in 1997 as an autonomous and capitalist Special Administrative Region of China. "We care for China, and, as part of the Chinese citizenry, we have the rights and obligations to participate in and comment on the affairs of China," the manifesto said.

Mr Lee said that although Meeting Point as a party and individuals in the United Democrats were members of the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China, the group branded as subversive in the months after the Tiananmen Square massacre, the new party would not be joining it.

The plan, however, did not sway China's attitude towards the United Democrats, who were also leaders of the Alliance. "The behaviour of these people is self-contradictory," a Chinese official said. "They are, on one hand, saying there should be dialogue with us. But on the other hand, they said they have to overthrow the present government," he said repeating an allegation which Mr Lee and Mr Szeto had denied.

While stressing that they were surprised about the merger plan the officials said they needed to study the plan. "Although there has been some gossip about the merger for some time, it (the announcement) is news to me. We knew nothing about it," one official said. Another official in charge of Hong Kong affairs said he needed more information, such as the background of the merger and the party's future plan and platform. "There will not be room for dialogue if they do not abandon their stance towards China," he said.

Mr Lee described the merger which had been planned since January, as "a milestone in the history of the Hong Kong democratic movement". "From various policies and remarks from Beijing, including the recent Xi Yang incident, we find that the room for manoeuvring is getting smaller," Mr Lee said. "When we look ahead, particularly towards 1997, both the Meeting Point and the United Democrats feel there is a necessity for us to stand together."

The new party would not give up pursuing dialogue with China—an objective that he said the United Democrats had failed to achieve. He dismissed the idea that the new party was intending to gain any advantage in seeking communication with Beijing by the incorporation of Mr Cheung. "Whatever we do, the ball still remains in the Chinese court," Mr Lee said.

Mr Cheung said he would be pleased to explain to China about the new party, and he would play a role in pursuing in this direction. He denied that the merger was aimed at countering the growing pro-China forces in the upcoming three-tier elections. "We do not intend to be confrontational to anybody. We believe that the public can exercise their free will to choose suitable representatives," he said.

Both he and Mr Lee pledged to welcome other democrats, whether they belonged to other parties or not, to join them. "Our doors are open and all those who share

the same beliefs are welcome in the party," Mr Lee said. The party would approach a number of people to participate in formulating its structure and platform. Mr Cheung said the new party would not threaten the survival of other small democratic parties, such as the Association for Democracy and People's Livelihood. But he pointed out that it would be up to individual groups to assess their situation.

Extraordinary general meetings will be held separately on May 15 to gauge members' view on the move and the timetable for dissolving existing parties. Both will continue to function until then and their legislators will hold joint meetings to streamline their differences on policies and their work in Legco. They will step up co-operation in the coming District Board elections though it was still undecided whether their candidates in the next elections would stand under the new name.

The parties have not always agreed and there were cases in which they voted differently. These included votes on the approval of the Chek Lap Kok airport site preparation contract, the Container Terminal No 9 project and China's Most Favoured Nation status. Mr Lee said past differences should be shelved and past decisions respected.

Macao

Portuguese Prime Minister Starts Macao Visit 16 Apr

OW1604141394 Beijing XINHUA in English 1353
GMT 16 Apr 94

[Text] Macao, April 16 (XINHUA)—Portuguese Prime Minister Anibal Cavaco Silva arrived here today for a four-day official visit following his week-long visit to China's mainland from April 10 to 16.

The prime minister's entourage includes over 60 leading Portuguese businessmen.

On his arrival, Silva said that he has brought good news to Macao, which has become a symbol of the friendship between the two peoples of China and Portugal.

He said that during his visit to China's mainland, from the very beginning to the end, Macao was a very important topic in the talks he had with senior Chinese leaders.

The Portuguese Government has made great efforts to safeguard the prosperity and interest of Macao, so has the Chinese Government, he said.

The Sino-Portuguese Joint Declaration, signed between the governments of China and Portugal in 1987, has been implemented conscientiously by the two sides through dialog and friendly cooperation, said the Portuguese leader, stressing that such understanding is the most powerful guarantee of Macao's progress and development in the future.

During his stay in Macao, Silva will meet with Guo Dongpo, director of XINHUA NEWS AGENCY Macao Branch, preside over the opening ceremony of the Macao friendship bridge and visit the international airport site and other key projects here.

Opening Ceremony Held for Macao-Taipa 'Friendship' Bridge

OW1704141494 Beijing XINHUA in English 1404
GMT 17 Apr 94

[Text] Macao, April 17 (XINHUA)—An opening ceremony for the second Macao-Taipa bridge, namely the friendship bridge, was held here today.

Visiting Portuguese Prime Minister Anibal Cavaco Silva, Macao Governor General Vasco Joaquim Rocha Vieira, XINHUA NEWS AGENCY Macao Branch Director Guo Dongpo and Jose Manuel Machado, secretary assistant of Transport and Public Affairs Department, Macao Government, attended the opening ceremony.

Jose Manuel Machado said that the project, a symbol of friendship and cooperation between the governments of Portugal and China, is of great significance to Macao.

It is expected to boost the development of local tourism, real estate and many other industries and would become an important auxiliary project to the Macao International Airport, he said.

The bridge is 4,414 meters long, 19.3 meter-wide. The four-lane bridge costs over 600 million macao patacas (about 75 million U.S. dollars) in total investment.

Portuguese Prime Minister on Macao, PRC Issues

LD1704223394

[Editorial report] Lisbon RDP Antena 1 Radio Network in Portuguese at 1732 GMT on 17 April carries a 28-minute recording of an interview with Portuguese Prime Minister Cavaco Silva conducted in Macao earlier in the day by Teledifusao de Macao [TDM]. The interviewers are TDM's Mario Rui de Castro, Fatima Cid, and by an unidentified local journalist.

Asked to comment on criticism levelled at him by the weekly EXPRESSO and by the secretary of the Portuguese Episcopal Conference for not speaking about human rights during his visit to China, Cavaco Silva says: "Portugal, in terms of human rights, has the same stance as the remaining 11 European Union [EU] countries. There is no difference. In 1992 I had the opportunity to speak with the Chinese prime minister about this matter. And I did so once again in Beijing. It was very clear that Portugal has a different position, interpretation, emphasis—as the Chinese say—when it comes to human rights. I believe this matter should not be discussed in public because if it is, it will not be effective, therefore those who made such statements in Portugal

regarding my visit did so through ignorance because they were not at the meeting and they do not know what I told the Chinese leaders."

In connection with this question, the prime minister goes on: "I would like to add that it was I, myself, personally, who in the last few days, almost in the last few hours, negotiated with the Chinese authorities the possibility of the church of Macao maintaining relations with religious organizations outside Macao. With a view to preserving, obviously, relations between the church of Macao and the Vatican."

The prime minister is then questioned about the matter of the nationality of the people of Macao. He says: "Those with Portuguese passports are Portuguese now and in the future. Portugal will not withdraw anyone's nationality. However I knew that there was some concern regarding the implementation of the Chinese nationality law in the future here in Macao and therefore I broached this subject with the Chinese authorities. The answer I was given by the Chinese leaders was that they do not intend to impose Chinese nationality on Macanese people of Portuguese descent."

When asked about the future of civil servants in Macao, Cavaco Silva says: "It is essential for Macao that its special characteristics and identity remain after 1999, that Macao's character goes beyond the end of the Portuguese administration. An important contribution to this can be made from those working in the public sector. Therefore I believe it is in Macao's interest, and I stress in Macao's interest, that the current civil servants remain so after 1999 and nothing should be done against this principle. It would be a terrible mistake for Macao and even for Portugal if we were to create the conditions for all the civil servants to leave Macao."

Later in the interview, Cavaco Silva speaks of the changes in China, saying: "I have noticed a significant change in China regarding the economy. I believe it is difficult to describe what is happening in China today. I said yesterday and I say it again, the whole country looks like a construction site, with a thirst for economic development and growth which I believe does not exist anywhere else in the world. It would be a mistake for Portugal and for the EU to ignore one of the largest world markets in the very near future."

He is then asked for his opinion on whether the British are defending the interests of Hong Kong in their dealings with China. Cavaco Silva replies: "I think it is not up to the Portuguese prime minister to comment on the Hong Kong transition process. I answer for the Macao transition process."

Returning to the subject of the Chinese economy, he says: "It appears to me that there is virtually total flexibility and economic openness. The Chinese authorities say this is the appropriate way to eliminate the poverty which still exists in China. I was amazed. It is difficult to imagine before coming here what is happening in the Chinese economy. I believe that China will

be an economic power in the 21st century if the current rate of development is maintained. No one in the world will be able to ignore China. I have been saying for a long time that it would be a mistake for the western world, the EU, the United States to ignore a country with 1.2 billion people and which is fundamental for world stability and peace."

Asked to confirm that he advocates openness by the EU to China, Cavaco says that "all economic restrictions have disappeared, all financial restrictions. There are no restrictions on visits by prime ministers, so it does not make sense to maintain restrictions on visits by heads of state. I would describe this as hypocrisy by Europe, so let us put an end to it and let us fully normalize relations between the EU and China."

Cavaco Silva goes on to confirm that the Chinese authorities expressed the wish to have President Soares visit China. Later he confirms that the Chinese have acknowledged the importance of a Portuguese cultural presence, of the Portuguese language, in Macao. He adds that it was important for more Portuguese to speak Chinese, and he regrets the fact that so few people speak Portuguese in Macao. "I would like the inter-penetration of cultures to be more visible with regard to language—with Chinese speaking Portuguese and Portuguese speaking Chinese."

Questioned about the Portuguese Government's commitment to joint ventures between Macao, Portugal, and China, Cavaco Silva says that although the government backs these, "the Portuguese Government cannot be too much of an umbrella for Portuguese businessmen. We want them to have initiative and innovation, and to take risks. But in this case we have decided to provide special help. In May another business delegation will visit China, Macao, and Guangzhou. Obviously, these will be private initiatives. The Portuguese Government is not going to lead businessmen by the hand—they will have to act and show their ability. You have to struggle here—it has not all been done, things have to be built. I hope they will not give up easily. It would be a mistake if, after the political welcome which was reflected onto the economic side, our businessmen do not insist on being present here in Macao, Guangzhou, Zhejiang, Shanghai, and Beijing."

He continues: "I have great confidence in the future, that is why I brought to Macao a message of confidence in the future, and this is what I asked the Chinese authorities to support. The message from Beijing to Macao was clearly one of confidence in the future."

Cavaco Silva then speaks of TAP-Air Portugal's plan to integrate Air Macao: "The government will help, things are going well. I cannot give details but I can say that the negotiations saw some progress in Beijing." When asked if Air Macao would have Portuguese investment, he says that "the signs point to that, but first we need to have the airport. I have not seen the airport so I don't want to talk about this yet." He goes on to say that he believes that

the airport would be positive for Portugal because "it is the missing link to the outside world for Macao. Macao will gain autonomy and a special link with Europe and Portugal. That is why I said here in China that we want and offer Portugal as a platform for China's, and in particular Macao's, penetration in the EU."

Asked about the Portuguese economy, Cavaco Silva expresses his belief that a recovery is under way; he is confident that the inflation rate will stand at 5 percent, between 5 and 6 percent.

The prime minister goes on to reiterate that Macao should come under the government's jurisdiction. "I think that more than ever the question of Macao is a foreign policy issue and as 1999 draws near the foreign policy aspect tends to surface. It is more a question of negotiating with China about the future of Macao and about the Portuguese presence in Macao, than a question of resolving administrative matters."

In conclusion, he leaves a message for the Portuguese and Chinese who live in Macao. "My message is one of confidence in the future. I believe there are reasons—especially after the talks in Beijing with the Chinese authorities and after observing the evolution in the implementation of the Joint Declaration during the last seven years—I believe that are reasons to think that Macao will continue to enjoy stability, which is important, will continue to enjoy a strong economic growth, and will continue to enjoy progress."

Portuguese Prime Minister Meets XINHUA Official in Macao

OW1804060794 Beijing XINHUA in English 0539
GMT 18 Apr 94

[Text] Macao, April 18 (XINHUA)—Visiting Portuguese Prime Minister Anibal Cavaco Silva had a friendly and cordial talk with Guo Dongpo, director of XINHUA NEWS AGENCY Macao Branch here this morning.

Guo Dongpo told reporters after his meeting with the Portuguese prime minister that the two sides have time

and again reiterated to strictly implement the Sino-Portuguese Joint Declaration, saying it a commitment of the two governments.

He stressed that it is a must for the governments of China and Portugal to implement the Sino-Portuguese Joint Declaration to the letter, noting it conforms to the interest of the two governments and Macao, and beneficial to the prosperity and stability in Macao.

Portuguese Government To Guarantee Stability in Macao

OW1804162294 Beijing XINHUA in English 1558
GMT 18 Apr 94

[Text] Macao, April 18 (XINHUA)—The Portuguese Government is determined to make all-out efforts to guarantee the stability in Macao and the interests of local people.

The assurance was made by Portuguese Prime Minister Anibal Cavaco Silva, who is here on a four-day visit, at a special meeting of the Macao Legislative Council here today.

"We expect that Macao can maintain social stability and development during the period from now on to the end of this century. We also expect the transfer of power in 1999 will be carried out in an atmosphere of stability and confidence," Cavaco Silva said.

He said that during his visit to Beijing before coming here, he had exchanged views with Chinese leaders, who showed deep concern with all things about Macao and all matters relating to preparation for Macao's future.

Both China and Portugal have sensed the necessity to continue dialog and cooperation between them, the prime minister added.

He also praised Macao's speedy economic development since 1987, under the environment of social stability, good public order and the facts that local residents' interests were guaranteed, he said.

"We are paving the way, in the light of the Sino-Portuguese Joint Declaration, for the smooth transfer of power in Macao at the end of this century. We are determined to do so in the next few years, for the purpose of guaranteeing greater social, economic and cultural development in Macao," the prime minister said at the meeting.

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20 APR 1994

